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TITLE 14—CIVIL AVIATION

Chapter I—Civil Aeronautics Board [Amdt. 1-5; Civil Air Regs.]

PART 1—CERTIFICATION, IDENTIFICATION, AND MARKING OF AIRCRAFT AND RELATED PRODUCTS

REMOVAL OF U. S. IDENTIFICATION MARKS PRIOR TO DELIVERY TO A FOREIGN PUR- CHASER

Adopted by the Civil Aeronautics Board at its office in Washington, D. C., on the 27th day of July 1955.

In a number of instances United States citizens have sold United States registered aircraft to citizens of foreign countries who have operated these aircraft without removing United States identification marks. The situation thereby created is incompatible with the provisions of Part 190 of the Civil Air Regulations, the Civil Aeronautics Act, and the International Convention on Civil Aviation, all of which contemplate that aircraft shall bear the identification marks of the country of nationality.

This amendment requires that, when an aircraft of United States registry is sold to a citizen of a foreign country, the identification marks be removed from such aircraft prior to its delivery to the purchaser.

Interested persons have been afforded an opportunity to participate in the making of this amendment, and due consideration has been given to all relevant matter presented.

In consideration of the foregoing, the Civil Aeronautics Board hereby amends Part 1 of the Civil Air Regulations (14 CFR Part 1, as amended) effective September 1, 1955.

By adding a new § 1.110 to read as follows:

§ 1.110 *Removal of aircraft identification marks.* When an aircraft of United States registry is sold to a citizen of a foreign country, the United States identification marks must be removed from such aircraft by the United States registered owner or his agent prior to its delivery to the purchaser.

(Sec. 205, 52 Stat. 984; 49 U. S. C. 425. Interprets or applies sec. 6, 44 Stat. 572, as amended, secs. 501, 601, 1102, 52 Stat. 1005,

1007, 1026, as amended; 49 U. S. C. 170, 521, 551, 672)

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 55-6218; Filed, Aug. 1, 1955;
8:50 a. m.]

[Reg. SR-412]

PART 1—CERTIFICATION, IDENTIFICATION, AND MARKING OF AIRCRAFT AND RELATED PRODUCTS

PART 14—AIRCRAFT PROPELLER AIRWORTHINESS

SPECIAL CIVIL AIR REGULATION; AIRCRAFT IDENTIFICATION MARKINGS

Adopted by the Civil Aeronautics Board at its office in Washington, D. C., on the 27th day of July 1955.

Sections 1.102 (a) and 1.103 (a) of Part 1 of the Civil Air Regulations provide for the application of identification markings to the upper and lower wing surfaces and tail or fuselage side surfaces of fixed-wing aircraft, and specify the manner in which such markings shall be displayed. This Special Civil Air Regulation permits interested persons to display larger identification markings on either the fuselage side or vertical tail surfaces of fixed-wing aircraft in lieu of the requirements of the aforementioned sections of Part 1.

The Department of Defense has advised the Board that present identification markings make it necessary for military aircraft to reduce their speed to approximately that of civil aircraft when making interceptions in restricted areas. As a consequence, it is maintained that interceptors, such as the F-86D, are required to make identifications at less than a safe maneuverable speed. For this reason, the Department has concluded that civil aircraft should be identified from the side, rather than from above or below, since the latter procedures are considered too hazardous. However, the Board has been informed that because of the small vertical tail markings on civil aircraft, military interceptor aircraft are obliged presently

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This issue, containing a 57-page index-digest of Federal laws and regulations relating to the retention of records by the public, is priced at 15 cents per copy.

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either to fly dangerously close in order to identify them or to make more than one identification pass. Accordingly, the Department has recommended that larger identification markings be required on the side surfaces of civil aircraft.

The Board has been advised that wing surface markings are not suitable for identification purposes for several reasons. Upper wing surface markings appear right side up to an interceptor pilot for only a brief interval of time. This is due to the fact that as soon as an interceptor pilot passes the wing of a civil aircraft, he experiences reversed orientation with respect to the wing markings and they appear upside down to him. On the other hand, lower wing surface markings appear inverted before the interceptor pilot has passed the civil aircraft. The Board has also been informed that upper wing surface markings are not suitable for identification purposes for the reasons that an interceptor pilot's view of such markings is at times obstructed by the wing of his own aircraft, and that the markings are frequently difficult to distinguish because of glare and the angle at which they have to be read. With respect to lower wing surface markings, it has been alleged that they cannot be seen easily from the ground, unless the aircraft is directly overhead and at a low altitude, because the lower surfaces are in a shadow.

In view of the foregoing information and recommendations, the Board's Bureau of Safety Regulation issued a notice of proposed rule making which was published in the *FEDERAL REGISTER* (20 F. R. 1225) and circulated as Civil Air Regulations Draft Release No. 55-7, dated February 18, 1955, which proposed, among other things, the deletion of the requirement in Part 1 of the Civil Air Regulations for wing and tail surface markings on fixed-wing aircraft. In lieu thereof, it proposed to require that larger identification markings be displayed horizontally either on the fuselage side or on the vertical tail surfaces of all fixed-wing aircraft after January 1, 1960. Analysis of the comment received in response to Draft Release No. 55-7 reveals that the great majority of those who commented challenged the justification made for the proposed amendment. In the light of this comment, the Board is of the opinion that further investigation of this matter is necessary and does not, therefore, contemplate taking any action with respect to Draft Release No. 55-7 in the immediate future.

Prior to and since the publication of the proposed amendment, the Board received requests from many aircraft operators for waivers of certain of the identification marking requirements prescribed in Part 1. However, as previously indicated, final disposition of the matter of amending present identification requirements will be delayed. Meanwhile, in view of the aforementioned requests for waivers and the Board's desire to obtain information which will be of value in making a final disposition of identification marking

requirements, the Board is of the opinion that persons who desire to do so should be permitted to display, for a temporary period, larger identification markings on either the fuselage side or vertical tail surfaces of fixed-wing aircraft in lieu of upper- and lower-wing surface markings and small tail surface markings.

Persons who choose to display identification markings in accordance with this regulation are required to affix the markings to their aircraft during the first year following the effective date of this regulation. Since this regulation will remain in effect for a period of 5 years from its effective date, unless sooner superseded or rescinded, those who affix identification markings to their aircraft in accordance with this regulation can be reasonably assured of being able to continue displaying such markings for a period of time, which the Board believes to be a reasonable useful life.

It would be of value to the Board if those persons who display identification markings on their aircraft in accordance with this regulation will submit to the Board photographs or sketches of their aircraft displaying such markings, and also their comments as to the effect such markings are observed to have on improving ground-to-air and air-to-air identification of their aircraft. All such information should be addressed to the Civil Aeronautics Board, attention Bureau of Safety Regulation, Washington 25, D. C.

Since the method of displaying identification markings on fixed-wing aircraft which this temporary regulation permits is substantially the same as that published in the notice of proposed rule making circulated in Draft Release No. 55-7, the Board finds that additional notice and public procedure for this temporary regulation are unnecessary. Since this regulation imposes no additional burden on any person, it may be made effective on less than 30 days' notice.

In consideration of the foregoing, the Civil Aeronautics Board hereby makes and promulgates the following Special Civil Air Regulation, effective July 27, 1955:

Contrary provisions of §§ 1.102 (a) and 1.103 (a) of Part 1 of the Civil Air Regulations notwithstanding, identification markings may be affixed on the fuselage side surfaces or on the vertical tail surfaces of fixed-wing aircraft during the first year following the effective date of this regulation in accordance with the following:

1. The markings shall be placed horizontally and the letters and numbers shall be of equal height not less than 12 inches high.

2. If on the sides of the fuselage, the markings shall be displayed on both sides of the fuselage in an area between the wing trailing edge and the horizontal stabilizer leading edge.

3. If on the sides of the vertical tail surfaces, the marks shall be displayed on both sides of a single vertical tail surface and on the outer sides of multitail surfaces.

4. Identification markings affixed in accordance with the foregoing provisions may be displayed until the termination date of this special regulation.

This regulation shall terminate on July 27, 1960, unless sooner superseded or rescinded by the Board.

(Sec. 205, 52 Stat. 924; 49 U. S. C. 425. Interpret or apply secs. 601, 603, 52 Stat. 1007, 1009, as amended; 49 U. S. C. 551, 553)

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 55-6219; Filed, Aug. 1, 1955; 8:50 a. m.]

Chapter II—Civil Aeronautics Administration, Department of Commerce

[Amtd. 60]

PART 600—DESIGNATION OF CIVIL AIRWAYS ALTERATIONS

The civil airway alterations appearing hereinafter have been coordinated with the civil operators involved, the Army, the Navy and the Air Force, through the Air Coordinating Committee, Airspace Panel, and are adopted to become effective when indicated in order to promote safety. Compliance with the notice procedures, and effective date provisions of section 4 of the Administrative Procedure Act would be impracticable and contrary to public interest and therefore is not required. Part 600 is amended as follows:

1. Section 600.218 *Red civil airway No. 18 (Indianapolis, Ind., to Washington, D. C.)* is amended by changing portion before Cincinnati, Ohio, radio range station to read: "From the intersection of the east course of the Indianapolis, Ind., radio range and the northwest course of the Cincinnati, Ohio, radio range via the Cincinnati, Ohio, radio range station."

2. Section 600.242 is amended by changing caption to read: "*Red civil airway No. 42 (Milwaukee, Wis., to Aurora, Ill.)*" and by deleting the last portion which reads: "From the intersection of the southeast course of the Rockford, Ill., radio range and the west course of the Goshen, Ind., radio range to the intersection of the southeast course of the Rockford, Ill., radio range and the southeast course of the Chicago, Ill., radio range."

3. Section 600.609 is amended to read:

§ 600.609 *Blue civil airway No. 9 (Springfield, Mo., to United States-Canadian Border)*. From the Springfield, Mo., radio range station to the Columbia, Mo., radio range station. From the Rochester, Minn., radio range station to the intersection of the north course of the Rochester, Minn., radio range and the southeast course of the Minneapolis, Minn., radio range. That airspace over United States territory from the Minneapolis, Minn., radio range station via the Duluth, Minn., radio range station to the Lakehead, Ont., Canada, radio range station.

4. Section 600.6003 is amended by changing the caption to read: "*VOR civil airway No. 3 (Key West, Fla., to Presque Isle, Maine)*" by deleting the words, "From the Key West, Fla., omnirange station via" and substituting the following words in lieu thereof, "That airspace over the United States territory from the Key West, Fla., omni-

range station via" and by changing all after the Augusta, Maine, omnirange station to read: "Augusta, Maine, omnirange station; Bangor, Maine, omnirange station; Houlton, Maine, omnirange station; to the Presque Isle, Maine, omnirange station."

5. Section 600.6012 *VOR civil airway No. 12 (Santa Barbara, Calif., to Philadelphia, Pa.)* is amended by changing all after the Pittsburgh, Pa., omnirange station to read: "Pittsburgh, Pa., omnirange station; Johnstown, Pa., omnirange station, including a north alternate via the intersection of the Pittsburgh omnirange 067° True and the Johnstown omnirange 290° True radials; Harrisburg, Pa., omnirange station, including a south alternate via the intersection of the Johnstown omnirange 107° True and the Harrisburg omnirange 259° True radials; to the West Chester, Pa., omnirange station."

6. Section 600.6014 *VOR civil airway No. 14 (Roswell, N. Mex., to Boston, Mass.)* is amended by changing all after the Albany, N. Y., omnirange station to read: "Albany, N. Y., omnirange station; Gardner, Mass., omnirange station; to the point of intersection of the Gardner omnirange 132° True and the Boston, Mass., omnirange 223° True radials."

7. Section 600.6020 *VOR civil airway No. 20 (Laredo, Tex., to Richmond, Va.)* is amended by changing all after the Atlanta, Ga., omnirange station to read: "Atlanta, Ga., omnirange station; intersection of the Atlanta omnirange 048° True and the Royston omnirange 236° True radials; Royston, Ga., omnirange station; Spartanburg, S. C., omnirange station; Greensboro, N. C., omnirange station; South Boston, Va., omnirange station; to the Flat Rock, Va., omnirange station."

8. Section 600.6035 *VOR civil airway No. 35 (Tallahassee, Fla., to Syracuse, N. Y.)* is amended by deleting the following words: "Anderson, S. C., omnirange station" and substitute in lieu thereof the following words: "Royston, Ga., omnirange station."

9. Section 600.6093 is amended to read:

§ 600.6093 *VOR civil airway No. 93 (Washington, D. C., to Presque Isle, Maine)* That airspace over the United States territory from the Riverdale, Md., nondirectional radio beacon via the Baltimore, Md., omnirange station; intersection of the Baltimore omnirange 015° True and the Allentown omnirange 228° True radials; Allentown, Pa., omnirange station; Wilkes-Barre-Scranton, Pa., omnirange station; Albany, N. Y., omnirange station; intersection of the Albany omnirange 099° True and the Concord omnirange 231° True radials; Concord, N. H., omnirange station; intersection of the Concord omnirange 041° True and the Augusta omnirange 239° True radials; Augusta, Maine, omnirange station; Bangor, Maine, omnirange station; Princeton, Maine, omnirange station; Houlton, Maine, omnirange station; to the Presque Isle, Maine, omnirange station. The portions of this airway which overlap the Wash-

ington, D. C., prohibited area (P-56) are excluded.

10. Section 600.6115 is amended to read:

§ 600.6115 *VOR civil airway No. 115 (Crestview, Fla., to Charleston, W. Va.)* From the Crestview, Fla., omnirange station via the Montgomery, Ala., omnirange station; Birmingham, Ala., omnirange station to the Chattanooga, Tenn., omnirange station. From the Knoxville, Tenn., omnirange station to the Charleston, W. Va., omnirange station.

11. Section 600.6128 *VOR civil airway No. 128 (Chicago, Ill., to Raleigh, N. C.)* is amended by changing the portion between the Cincinnati, Ohio, omnirange station and the Charleston, W. Va., omnirange station to read: "Cincinnati, Ohio, omnirange station; York, Ky., omnirange station, including a south alternate via the intersection of the Cincinnati omnirange 120° True and the York omnirange 272° True radials; Charleston, W. Va., omnirange station;" and by deleting the words "Raleigh omnirange 250° True radials." and substituting the following words in lieu thereof "Raleigh omnirange 249° True radials."

12. Section 600.6203 is added to read:

§ 600.6203 *VOR civil airway No. 203 (Albany, N. Y., to Massena, N. Y.)* From the Albany, N. Y., omnirange station to the Massena, N. Y., omnirange station. (Sec. 205, 52 Stat. 984, amended; 49 U. S. C. 425. Interpret or apply sec. 302, 52 Stat. 985, as amended; 49 U. S. C. 452)

This amendment shall become effective 0001 E. S. T. August 11, 1955.

[SEAL]

F. B. LEE,

Administrator of Civil Aeronautics.

[F. R. Doc. 55-6195; Filed, Aug. 1, 1955; 8:46 a. m.]

[Amdt. 60]

PART 601—DESIGNATION OF CONTROL AREAS, CONTROL ZONES, AND REPORTING POINTS

ALTERATIONS

The control area, control zone and reporting point alterations appearing hereinafter have been coordinated with the civil operators involved, the Army, the Navy and the Air Force, through the Air Coordinating Committee, Airspace Panel, and are adopted to become effective when indicated in order to promote safety. Compliance with the notice, procedures, and effective date provisions of section 4 of the Administrative Procedure Act would be impracticable and contrary to public interest and therefore is not required. Part 601 is amended as follows:

1. Section 601.242 is amended by changing caption to read: "Red civil airway No. 42 control areas (Milwaukee, Wis., to Aurora, Ill.)"

2. Section 601.1061 is amended to read: § 601.1061 *Control area extension (Mt. Clemens, Mich.)* All that airspace bounded on the north by an arc having a radius of 40 miles from Selfridge Air

Force Base, Mt. Clemens, Mich., on the east and southeast by the United States-Canadian Boundary, and on the southwest by Red civil airway No. 20 and the Flint, Mich., control area extension.

3. Section 601.1117 *Control area extension (Lincoln, Nebr.)* is revoked.

4. Section 601.1117 is added to read:

§ 601.1117 *Control area extension (Grosse Ile, Mich.)* That airspace south of the Grosse Ile Naval Air Station bounded on the northwest by VOR civil airway No. 96, on the north by VOR civil airway No. 10, on the northeast by Red civil airway No. 19 and on the southeast by a line through a point at Lat. 41°51'10", Long. 83°08'35" and a point at Lat. 41°45'20", Long. 83°20'25"

5. Section 601.1155 is amended to read:

§ 601.1155 *Control area extension (Omaha, Nebr.)* All that airspace within a 25-mile radius of the Omaha radio range station and the airspace southwest of Omaha bounded on the north by VOR civil airways No. 8-S, 6-S and Red civil airway No. 93, on the east by Amber civil airway No. 4 and the St. Joseph, Mo., control area extension, on the south by a line extending from a point at Lat. 40°00'00", Long. 95°17'00", to a point at Lat. 40°30'00", Long. 96°51'00" to a point at Lat. 40°30'00", Long. 97°20'00" and bounded on the west by Long. 97°20'00"

6. Section 601.2122 *Detroit, Mich., control zone* is amended by adding the following words to present control zone: "excluding the portion which overlaps the Grosse Ile, Mich., control zone."

7. Section 601.2361 is added to read:

§ 601.2361 *Grosse Ile, Mich., control zone.* That airspace over United States territory within a 3-mile radius of the Grosse Ile, Mich., Naval Air Station and within 2 miles either side of a line bearing 209° True extending from the Naval Air Station to a point 10 miles southwest of the Grosse Ile nondirectional radio beacon.

8. Section 601.4242 is amended by changing caption to read: "Red civil airway No. 42 (Milwaukee, Wis., to Aurora, Ill.)"

9. Section 601.4014 *Green civil airway No. 4 (Los Angeles, Calif., to Philadelphia, Pa.)* is amended by deleting the following reporting point: "the intersection of the northeast course of the Indianapolis, Ind., radio range and the northwest course of the Cincinnati, Ohio, radio range;"

10. Section 601.6003 is amended by changing the caption to read: "§ 601.6003 *VOR civil airway No. 3 control areas (Key West, Fla., to Presque Isle, Maine)*"

11. Section 601.6093 is amended to read:

§ 601.6093 *VOR civil airway No. 93 control areas (Washington, D. C., to Presque Isle, Maine)* All of VOR civil airway No. 93.

12. Section 601.6115 is amended to read:

§ 601.6115 VOR civil airway No. 115 control areas (Crestview, Fla., to Charleston, W. Va.) All of VOR civil airway No. 115.

13. Section 601.6115 is amended to read:

§ 601.6128 VOR civil airway No. 128 control areas (Chicago, Ill., to Raleigh, N. C.) All of VOR civil airway No. 128 including a north alternate and south alternates.

14. Section 601.6203 is added to read:

§ 601.6203 VOR civil airway No. 203 control areas (Albany, N. Y., to Massena, N. Y.) All of VOR civil airway No. 203.

15. Section 601.7001 Domestic VOR reporting points is amended by adding the following reporting point:

Royston, Ga., omnirange station.

and by revoking the following reporting point:

Anderson, S. C., omnirange station.

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interpret or apply sec. 601, 52 Stat. 1107, as amended; 49 U. S. C. 551)

Name and location (chart)	Description by geographical coordinates	Designated altitudes	Time of designation	Controlling agency
PALACIOS, TEX. (Matagorda Club) (R-494) (San Antonio).	Beginning at latitude 28°29'45" longitude 96°13'33"; thence to latitude 28°28'29" longitude 96°10'50"; thence to latitude 28°29'59" longitude 96°19'50"; thence to latitude 28°24'00" longitude 96°22'39"; thence to latitude 28°28'00" longitude 96°19'09" thence to point of beginning.	Surface to 60,000 feet mean sea level.	Sunrise to sunset daily.	Poster Air Force Base, Tex.

2. In § 608.51, the Matagorda Island, Texas, area #2 (R-226 formerly D-226) is amended by adding to the "Description by Geographical Coordinates" column "within a 6 statute mile radius of a point at latitude 28°13'10" longitude 96°39'30" excluding that portion overlapping restricted area (R-224) and warning area (W-225)"

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interprets or applies sec. 601, 52 Stat. 1007, as amended; 49 U. S. C. 551)

This amendment shall become effective on August 7, 1955.

[SEAL] F. B. LEE,
Administrator of Civil Aeronautics.

[F. R. Doc. 55-6197; Filed, Aug. 1, 1955; 8:47 a. m.]

TITLE 9—ANIMALS AND ANIMAL PRODUCTS

Chapter I—Agricultural Research Service, Department of Agriculture

Subchapter G—Inspection of Animal Foods

PART 155—CERTIFIED PRODUCTS FOR DOGS, CATS, AND OTHER CARNIVORA. INSPECTION, CERTIFICATION AND IDENTIFICATION AS TO CLASS, QUALITY, QUANTITY, AND CONDITION

FEES AND CHARGES

Pursuant to the authority of sections 203 and 205 of the Agricultural Marketing Act of 1946 (7 U. S. C. 1622, 1624),

This amendment shall become effective 0001 E. S. T. August 11, 1955.

[SEAL] F. B. LEE,
Administrator of Civil Aeronautics.

[F. R. Doc. 55-6196; Filed, Aug. 1, 1955; 8:47 a. m.]

[Amdt. 125]

PART 608—RESTRICTED AREAS ALTERATIONS

The restricted area alterations appearing hereinafter have been coordinated with the civil operators involved, the Army, the Navy and the Air Force, through the Air Coordinating Committee, Airspace Panel, and are adopted to become effective when indicated in order to promote safety of the flying public. Since a military function of the United States is involved, compliance with the notice, procedure, and effective date, provisions of section 4 of the Administrative Procedure Act is not required.

Part 608 is amended as follows:

1. In § 608.51, a Palacios, Texas, area (R-494) is added to read:

the provisions prescribing the charge for service in § 155.12 of the animal foods inspection regulations (9 CFR 155.12) are amended to read as follows:

§ 155.12 Charge for service. The fees to be charged and collected by the Administrator shall be in an amount sufficient to reimburse the Service for the cost of the inspection services so furnished.

Under the legislation authorizing the animal foods inspection service, the cost of furnishing the service must be covered by fees collected from those receiving the service. It is imperative that the billing rate be adjusted without delay whenever it is found necessary to adequately finance the cost. The foregoing amendment will permit such adjustments. Therefore, under section 4 of the Administrative Procedure Act (5 U. S. C. 1003) it is found upon good cause that notice and other public procedure on the amendment are impracticable, unnecessary, and contrary to the public interest, and good cause is found for making the amendment effective less than 30 days after publication in the FEDERAL REGISTER.

The amendment shall become effective at 12:01 a. m., August 2, 1955, with respect to animal foods inspection service thereafter furnished under the regulations.

(Sec. 205, 60 Stat. 1090; 7 U. S. C. 1624. Interprets or applies sec. 203, 60 Stat. 1037; 7 U. S. C. 1622)

Done at Washington, D. C., this 28th day of July 1955.

[SEAL] M. R. CLARKSON,
Acting Administrator.

[F. R. Doc. 55-6203; Filed, Aug. 1, 1955; 8:48 a. m.]

TITLE 7—AGRICULTURE

Chapter II—Agricultural Marketing Service (School Lunch Program), Department of Agriculture.

PART 210—REGULATIONS AND PROCEDURE

APPENDIX—APPORTIONMENT OF FOOD ASSISTANCE FUNDS PURSUANT TO NATIONAL SCHOOL LUNCH ACT, AS AMENDED; FISCAL YEAR 1956

Pursuant to section 4 of the National School Lunch Act, as amended (60 Stat. 230, 66 Stat. 591), food assistance funds available for the fiscal year ending June 30, 1956, are apportioned among the States as follows:

State	Total	State agency	With-hold for private schools
Alabama.....	\$2,320,824	\$2,213,434	\$107,390
Alaska.....	49,065	49,065	—
Arizona.....	443,034	443,034	—
Arkansas.....	1,570,839	1,543,033	27,806
California.....	3,241,722	3,241,722	—
Colorado.....	623,717	433,223	190,494
Connecticut.....	606,223	606,223	—
Delaware.....	62,179	73,883	11,704
District of Columbia.....	183,224	183,224	—
Florida.....	1,475,009	1,433,044	41,965
Georgia.....	2,270,067	2,270,067	—
Guam.....	45,332	33,311	12,021
Hawaii.....	215,276	179,222	36,054
Idaho.....	310,004	309,012	992
Illinois.....	2,501,143	2,501,143	—
Indiana.....	1,429,317	1,429,317	—
Iowa.....	1,022,299	977,832	44,467
Kansas.....	759,617	759,617	—
Kentucky.....	1,837,320	1,837,320	—
Lebanon.....	1,033,114	1,033,114	—
Maine.....	442,045	235,000	207,045
Maryland.....	849,164	706,145	143,019
Massachusetts.....	1,030,167	1,030,167	—
Michigan.....	2,103,434	1,835,421	268,013
Minnesota.....	1,282,618	1,075,416	207,202
Mississippi.....	2,053,632	2,053,632	—
Missouri.....	1,477,591	1,477,591	—
Montana.....	219,322	219,322	—
Nebraska.....	248,477	431,832	183,355
Nevada.....	54,841	62,035	7,194
New Hampshire.....	159,343	159,343	—
New Jersey.....	1,377,025	1,088,077	288,948
New Mexico.....	419,024	419,024	—
New York.....	3,847,754	3,847,754	—
North Carolina.....	2,601,423	2,601,423	—
North Dakota.....	345,079	311,433	33,646
Ohio.....	2,549,051	2,152,035	397,016
Oklahoma.....	1,177,332	1,177,332	—
Oregon.....	577,157	577,157	—
Pennsylvania.....	3,531,316	2,986,021	545,295
Puerto Rico.....	2,700,033	2,700,033	—
Rhode Island.....	237,834	237,834	—
South Carolina.....	1,616,046	1,616,046	—
South Dakota.....	335,853	300,011	35,842
Tennessee.....	2,023,829	1,970,023	53,806
Texas.....	3,823,563	3,823,563	—
Utah.....	263,012	262,000	1,012
Vermont.....	182,743	182,743	—
Virginia.....	1,746,433	1,635,005	111,428
Virgin Islands.....	20,000	20,000	—
Washington.....	811,005	732,712	78,293
West Virginia.....	1,175,763	1,143,212	32,551
Wisconsin.....	1,311,035	1,008,056	302,979
Wyoming.....	123,155	123,155	—
Total.....	67,010,000	63,771,273	3,238,727

(60 Stat. 230, as amended; 42 U. S. C. 1751-1760)

Dated: July 28, 1955.

ORIS V. WELLS,
Administrator.

[F. R. Doc. 55-6215; Filed, Aug. 1, 1955; 8:42 a. m.]

Chapter III—Agricultural Research Service, Department of Agriculture

PART 354—OVERTIME SERVICES RELATING TO IMPORTS AND EXPORTS

AMENDMENT OF ADMINISTRATIVE INSTRUCTIONS PRESCRIBING COMMUTED TRAVEL TIME ALLOWANCES

Pursuant to the authority conferred upon the Chief of the Plant Quarantine Branch by § 354.1 of the regulations concerning overtime services relating to imports and exports, effective July 15, 1955 (7 CFR 354.1, 20 F. R. 5054) administrative instructions (7 CFR 354.2; 18 F. R. 1431) effective March 14, 1953, prescribing the commuted travel time that shall be included in each period of overtime duty are hereby amended to add "Harlingen Air Force Base, Texas (served from Brownsville, Texas)" to the "Two Hours" list therein and to add "Panama City, Florida (served from Pensacola, Florida)" to the "Three Hours" list therein.

These commuted travel time periods have been established as nearly as may be practicable to cover the time necessarily spent in reporting to and returning from the place at which the employee performs such overtime duty when such travel is performed solely on account of such overtime duty. Such establishment depends upon facts within the knowledge of the Plant Quarantine Branch. It is to the benefit of the public that these instructions be made effective at the earliest practicable date. Accordingly, pursuant to the provisions of section 4 of the Administrative Procedure Act (5 U. S. C. 1003) it is found upon good cause that notice and public procedure on these instructions are impracticable, unnecessary, and contrary to the public interest, and good cause is found for making these instructions effective less than thirty days after publication in the FEDERAL REGISTER.

This amendment shall be effective August 2, 1955.

(64 Stat. 561, 5 U. S. C. 576)

Done at Washington, D. C., this 28th day of July 1955.

[SEAL] E. P. REAGAN,
Chief,
Plant Quarantine Branch.

[F. R. Doc. 55-6217; Filed, Aug. 1, 1955; 8:50 a. m.]

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

[Lemon Reg. 599, Amdt. 1]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

LIMITATION OF SHIPMENTS

Findings. (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953; 19 F. R. 7175; 20 F. R. 2913) regulating the handling of lemons grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Market-

ing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.) and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of the quantity of such lemons which may be handled, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice and engage in public rule-making procedure, and postpone the effective date of this amendment until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient, and this amendment relieves restriction on the handling of lemons grown in the State of California or in the State of Arizona.

Order as amended. The provisions in paragraph (b) (1) (ii) of § 953.706 (Lemon Regulation 599; 20 F. R. 5284) are hereby amended to read as follows:

(ii) District 2: 500 carloads.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: July 28, 1955.

[SEAL] S. R. SMITH,
Director Fruit and Vegetable
Division, Agricultural Mar-
keting Service.

[F. R. Doc. 55-6212; Filed, Aug. 1, 1955; 8:49 a. m.]

TITLE 22—FOREIGN RELATIONS

Chapter I—Department of State

[Dept. Reg. 108.262]

PART 46—CONTROL OF ALIENS DEPARTING FROM THE UNITED STATES

PART 53—CONTROL OF PERSONS ENTERING AND LEAVING THE UNITED STATES DURING WARTIME

Sections 53.61 to 53.71, inclusive, of Chapter I of Title 22 of the Code of Federal Regulations, which shall hereafter constitute Part 46 of Chapter I of Title 22 of the Code of Federal Regulations, are hereby amended to read as follows:

Sec.

46.1. Definitions.

46.2 Authority of departure-control officer to prevent alien's departure from the United States.

46.3 Aliens whose departure is deemed prejudicial to the interests of the United States.

46.4 Procedure in case of alien prevented from departing from the United States.

46.5 Hearing procedure before special inquiry officer.

46.6 Departure from the Canal Zone, the Trust Territory of the Pacific Islands, or outlying possessions of the United States.

Sec.

46.7 Instructions from the Secretary of State required in certain cases.

AUTHORITY: §§ 46.1 to 46.7 issued under sec. 104, 66 Stat. 174, Proc. 3004, 18 F. R. 489; 8 U. S. C. 1104, 3 CFR, 1953 Supp. Interpret or apply sec. 215, 66 Stat. 190; 8 U. S. C. 1105.

§ 46.1 **Definitions.** For the purposes of this part:

(a) The term "alien" means any person who is not a citizen or national of the United States.

(b) The term "Commissioner" means the Commissioner of Immigration and Naturalization.

(c) The term "regional commissioner" means an officer of the Immigration and Naturalization Service duly appointed or designated as a regional commissioner, or an officer who has been designated to act as a regional commissioner.

(d) The term "district director" means an officer of the Immigration and Naturalization Service duly appointed or designated as a district director, or an officer who has been designated to act as a district director.

(e) The term "United States" means the States, the District of Columbia, Alaska, the Canal Zone, Hawaii, Puerto Rico, the Virgin Islands, Guam, American Samoa, Swains Island, the Trust Territory of the Pacific Islands, and all other territory and waters, continental and insular, subject to the jurisdiction of the United States.

(f) The term "continental United States" means the several States and the District of Columbia.

(g) The term "geographical part of the United States" means (1) the continental United States, (2) Alaska, (3) Hawaii, (4) Puerto Rico, (5) the Virgin Islands, (6) Guam, (7) the Canal Zone, (8) American Samoa, (9) Swains Island, or (10) the Trust Territory of the Pacific Islands.

(h) The term "depart from the United States" means depart by land, water, or air (1) from the United States for any foreign place, or (2) from one geographical part of the United States for a separate geographical part of the United States: *Provided*, That a trip or journey upon a public ferry, passenger vessel sailing coastwise on a fixed schedule, excursion vessel, or aircraft, having both termini in the continental United States or in any one of the other geographical parts of the United States and not touching any territory or waters under the jurisdiction or control of a foreign power, shall not be deemed a departure from the United States.

(i) The term "departure-control officer" means any immigration officer as defined in 8 CFR 1.1 (a) (11), who is designated to supervise the departure of aliens, or any officer or employee of the United States designated by the Governor of the Canal Zone, the High Commissioner of the Trust Territory of the Pacific Islands, or the governor of an outlying possession of the United States, to supervise the departure of aliens.

(j) The term "port of departure" means a port in the continental United States, Alaska, Guam, Hawaii, Puerto Rico or the Virgin Islands, designated as a port of entry by the Attorney General or by the Commissioner, or in exceptional

circumstances such other place as the departure-control officer may, in his discretion, designate in an individual case, or a port in America Samoa, Swains Island, the Canal Zone, or the Trust Territory of the Pacific Islands, designated as a port of entry by the chief executive officer thereof.

(k) The term "special inquiry officer" shall have the meaning ascribed thereto in section 101 (b) (4) of the Immigration and Nationality Act.

§ 46.2 *Authority of departure-control officer to prevent alien's departure from the United States.* (a) No alien shall depart, or attempt to depart, from the United States if his departure would be prejudicial to the interests of the United States under the provisions of § 46.3. Any departure-control officer who knows or has reason to believe that the case of an alien in the United States comes within the provisions of § 46.3 shall temporarily prevent the departure of such alien from the United States and shall serve him with a written temporary order directing him not to depart, or attempt to depart, from the United States until notified of the revocation of the order.

(b) The written order temporarily preventing an alien, other than an enemy alien, from departing from the United States shall become final 15 days after the date of service thereof upon the alien, unless prior thereto the alien requests a hearing as hereinafter provided. At such time as the alien is served with an order temporarily preventing his departure from the United States, he shall be notified in writing concerning the provisions of this paragraph, and shall be advised of his right to request a hearing if entitled thereto under § 46.4. In the case of an enemy alien, the written order preventing departure shall become final on the date of its service upon the alien.

(c) Any alien who seeks to depart from the United States may be required, in the discretion of the departure-control officer, to be examined under oath and to submit for official inspection all documents, articles, and other property in his possession which are being removed from the United States upon, or in connection with, the alien's departure. The departure-control officer shall temporarily prevent the departure of any alien who refuses to submit to such examination or inspection, and may, if necessary to the enforcement of this requirement, take possession of the alien's passport or other travel document.

§ 46.3 *Aliens whose departure is deemed prejudicial to the interests of the United States.* The departure from the United States of any alien within one or more of the following categories shall be deemed prejudicial to the interests of the United States:

(a) Any alien who is in possession of, and who is believed likely to disclose to unauthorized persons, information concerning the plans, preparations, equipment, or establishments for the national defense and security of the United States.

(b) Any alien who seeks to depart from the United States to engage in, or who is likely to engage in, activities of any kind designed to obstruct, impede,

retard, delay or counteract the effectiveness of the national defense of the United States or the measures adopted by the United States or the United Nations for the defense of any other country.

(c) Any alien who seeks to depart from the United States to engage in, or who is likely to engage in, activities which would obstruct, impede, retard, delay, or counteract the effectiveness of any plans made or action taken by any country cooperating with the United States in measures adopted to promote the peace, defense, or safety of the United States or such other country.

(d) Any alien who seeks to depart from the United States for the purpose of organizing, directing, or participating in any rebellion, insurrection, or violent uprising in or against the United States or a country allied with the United States, or of waging war against the United States or its allies, or of destroying, or depriving the United States of sources of supplies or materials vital to the national defense of the United States, or to the effectiveness of the measures adopted by the United States for its defense, or for the defense of any other country allied with the United States.

(e) Any alien who is registered, or subject to registration, for service in the armed forces of the United States, and who shall not have obtained the consent of the Director of Selective Service or of his local draft board to depart from the United States, if such consent is required.

(f) Any alien who is a fugitive from justice on account of an offense punishable in the United States.

(g) Any alien who is needed in the United States as a witness in, or as a party to, any criminal case under investigation or pending in a court in the United States: *Provided*, That any alien who is a witness in, or a party to, any criminal case pending in any criminal court proceeding may be permitted to depart from the United States with the consent of the appropriate prosecuting authority, unless such alien is otherwise prohibited from departing under the provisions of this part.

(h) Any alien who is needed in the United States in connection with any investigation or proceeding being, or soon to be, conducted by any official executive, legislative, or judicial agency in the United States or by any governmental committee, board, bureau, commission, or body in the United States, whether national, state, or local.

(i) Any alien whose technical or scientific training and knowledge might be utilized by an enemy or a potential enemy of the United States to undermine and defeat the military and defensive operations of the United States or of any nation cooperating with the United States in the interests of collective security.

(j) Any alien whose case does not fall within any of the categories described in paragraphs (a) to (i) inclusive, of this section, but which involves circumstances of a similar character rendering the alien's departure prejudicial to the interests of the United States.

§ 46.4 *Procedure in case of alien prevented from departing from the United States.* (a) Any alien, other than an enemy alien, whose departure has been temporarily prevented under the provisions of § 46.2 may, within 15 days of the service upon him of the written order temporarily preventing his departure, request a hearing before a special inquiry officer. The alien's request for a hearing shall be made in writing and shall be addressed to the district director having administrative jurisdiction over the alien's place of residence. If the alien's request for a hearing is timely made, the district director shall schedule a hearing before a special inquiry officer, and notice of such hearing shall be given to the alien on Form I-227. The notice of hearing shall, as specifically as security considerations permit, inform the alien of the nature of the case against him, shall fix the time and place of the hearing, and shall inform the alien of his right to be represented, at no expense to the Government, by counsel of his own choosing.

(b) Every alien for whom a hearing has been scheduled under paragraph (a) of this section shall be entitled (1) to appear in person before the special inquiry officer, (2) to be represented by counsel of his own choice, (3) to have the opportunity to be heard and to present evidence, (4) to cross-examine the witnesses who appear at the hearing, except that if, in the course of the examination, it appears that further examination may divulge information of a confidential or security nature, the special inquiry officer may, in his discretion, preclude further examination of the witness with respect to such matters, (5) to examine any evidence in possession of the Government which is to be considered in the disposition of the case, provided that such evidence is not of a confidential or security nature the disclosure of which would be prejudicial to the interests of the United States, (6) to have the time and opportunity to produce evidence and witnesses on his own behalf, and (7) to reasonable continuances, upon request, for good cause shown.

(c) Any special inquiry officer who is assigned to conduct the hearing provided for in this section shall have the authority to: (1) administer oaths and affirmations, (2) present and receive evidence, (3) interrogate, examine, and cross-examine under oath or affirmation both the alien and witnesses, (4) rule upon all objections to the introduction of evidence or motions made during the course of the hearing, (5) take or cause depositions to be taken, (6) issue subpoenas, and (7) take any further action consistent with applicable provisions of law, Executive orders, proclamations, and regulations.

§ 46.5 *Hearing procedure before special inquiry officer.* (a) The hearing before the special inquiry officer shall be conducted in accordance with the following procedure:

(1) The special inquiry officer shall advise the alien of the rights and privileges accorded him under the provisions of § 46.4.

(2) The special inquiry officer shall enter of record (i) a copy of the order served upon the alien temporarily preventing his departure from the United States, and (ii) a copy of the notice of hearing furnished the alien on Form I-227.

(3) The alien shall be interrogated by the special inquiry officer as to the matters considered pertinent to the proceeding, with opportunity reserved to the alien to testify thereafter in his own behalf, if he so chooses.

(4) The special inquiry officer shall present on behalf of the Government such evidence, including the testimony of witnesses and the certificates or written statements of Government officials or other persons, as may be necessary and available. In the event such certificates or statements are received in evidence, the alien may request and, in the discretion of the special inquiry officer, be given an opportunity to interrogate such officials or persons, by deposition or otherwise, at a time and place and in a manner fixed by the special inquiry officer. *Provided*, That when in the judgment of the special inquiry officer any evidence relative to the disposition of the case is of a confidential or security nature the disclosure of which would be prejudicial to the interests of the United States, such evidence shall not be presented at the hearing but shall be taken into consideration in arriving at a decision in the case.

(5) The alien may present such additional evidence, including the testimony of witnesses, as is pertinent and available.

(b) A complete verbatim transcript of the hearing, except statements made off the record, shall be recorded. The alien shall be entitled, upon request, to the loan of a copy of the transcript, without cost, subject to reasonable conditions governing its use.

(c) Following the completion of the hearing, the special inquiry officer shall make and render a recommended decision in the case, which shall be governed by and based upon the evidence presented at the hearing and any evidence of a confidential or security nature which the Government may have in its possession. The decision of the special inquiry officer shall recommend (1) that the temporary order preventing the departure of the alien from the United States be made final, or (2) that the temporary order preventing the departure of the alien from the United States be revoked. This recommended decision of the special inquiry officer shall be made in writing and shall set forth the officer's reasons for such decision. The alien concerned shall at his request be furnished a copy of the recommended decision of the special inquiry officer, and shall be allowed a reasonable time, not to exceed 10 days, in which to submit representations with respect thereto in writing.

(d) As soon as practicable after the completion of the hearing and the rendering of a decision by the special inquiry officer, the district director shall forward the entire record of the case, including the recommended decision of the special inquiry officer and any written represen-

tations submitted by the alien, to the regional commissioner having jurisdiction over his district. After reviewing the record, the regional commissioner shall render a decision in the case, which shall be based upon the evidence in the record and on any evidence or information of a confidential or security nature which he deems pertinent. Whenever any decision is based in whole or in part on confidential or security information not included in the record, the decision shall state that such information was considered. A copy of the regional commissioner's decision shall be furnished the alien, or his attorney or representative. No administrative appeal shall lie from the regional commissioner's decision.

(e) Notwithstanding any other provision of this part, the Secretary of State, after consultation with the Attorney General, may at any time permit the departure of an individual alien or of a group of aliens from the United States if he determines that such action would be in the national interest. If the Secretary of State specifically requests the Attorney General to prevent the departure of a particular alien or of a group of aliens, the Attorney General shall not permit the departure of such alien or aliens until he has consulted with the Secretary of State.

(f) In any case arising under §§ 46.1 to 46.7, the Secretary of State shall, at his request, be kept advised, in as much detail as he may indicate is necessary, of the facts and of any actions taken or proposed.

§ 46.6 *Departure from the Canal Zone, the Trust Territory of the Pacific Islands, or outlying possessions of the United States.* (a) In addition to the restrictions and prohibitions imposed by the provisions of this part upon the departure of aliens from the United States, any alien who seeks to depart from the Canal Zone, the Trust Territory of the Pacific Islands, or an outlying possession of the United States shall comply with such other restrictions and prohibitions as may be imposed by regulations prescribed, with the concurrence of the Secretary of State and the Attorney General, by the Governor of the Canal Zone, the High Commissioner of the Trust Territory of the Pacific Islands, or by the governor of an outlying possession of the United States, respectively. No alien shall be prevented from departing from such zone, territory, or possession without first being accorded a hearing as provided in §§ 46.4 and 46.5.

(b) The Governor of the Canal Zone, the High Commissioner of the Trust Territory of the Pacific Islands, or the governor of any outlying possession of the United States shall have the authority to designate any employee or class of employees of the United States as hearing officers for the purpose of conducting the hearing referred to in paragraph (a) of this section. The hearing officer so designated shall exercise the same powers, duties, and functions as are conferred upon special inquiry officers under the provisions of this part. The chief executive officer of such zone, territory or possession shall, in lieu of the

regional commissioner, review the recommended decision of the hearing officer, and shall render a decision in any case referred to him, basing it on evidence in the record and on any evidence or information of a confidential or a security nature which he deems pertinent.

§ 46.7 *Instructions from the Secretary of State required in certain cases.* In the absence of appropriate instructions from the Secretary of State, departure-control officers shall not exercise the authority conferred by § 46.2 in the case of any alien who seeks to depart from the United States in the status of a nonimmigrant under section 101 (a) (15) (A) or (G) of the Immigration and Nationality Act, or in the status of a nonimmigrant under section 11 (3), 11 (4) or 11 (5) of the Agreement between the United Nations and the United States of America regarding the Headquarters of the United Nations (61 Stat. 756) *Provided*, That in cases of extreme urgency, where the national security so requires, a departure-control officer may preliminarily exercise the authority conferred by § 46.2 pending the outcome of consultation with the Secretary of State, which shall be undertaken immediately. In all cases arising under this section, the decision of the Secretary of State shall be controlling: *Provided*, That any decision to prevent the departure of an alien shall be based upon a hearing and record as prescribed in this part.

The regulations contained in this order shall become effective upon publication in the FEDERAL REGISTER. The provisions of section 4 of the Administrative Procedure Act (60 Stat. 238; 5 U. S. C. 1003) relative to notice of proposed rule making and delayed effective date are inapplicable to this order because the regulations contained therein involve foreign affairs functions of the United States.

Dated: April 13, 1955.

[SEAL] JOHN FOSTER DULLES,
Secretary of State.

Concurred in: July 22, 1955.

HERBERT BROWNELL, Jr.,
Attorney General.

[F. R. Doc. 55-6193; Filed, Aug. 1, 1955;
8:46 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter V—Department of the Army

Subchapter G—Procurement

PART 591—PROCUREMENT BY FORMAL ADVERTISING

PART 606—SUPPLEMENTAL PROVISIONS

MISCELLANEOUS AMENDMENTS

1. Paragraph (b) of § 591.202 is revised to read as follows:

§ 591.202 *Methods of soliciting bids.*
* * *

(b) *Time allowed before opening.* Invitations for bids, will as a rule, allow 30 days to intervene between the date of issuance and the date of opening bids. A shorter period may be allowed, but no period less than 10 days will be desig-

nated, except in case of emergency. The existence of such emergency will be determined by the Contracting Officer, and the copy of the invitation furnished the Procurement Information Center, Office of the Deputy Chief of Staff for Logistics, Department of the Army (§ 591.251 (a)), will bear on its face the following certificate and appropriate reasons signed by the Contracting Officer:

I certify that the date shown hereon for the opening of bids cannot be a later date for the following reasons:

2. Section 591.206-2 is revoked and §§ 591.206-50 and 591.206-51 are added, as follows:

§ 591.206-2 *Preparation and transmittal of synopses.* [Revoked.]

§ 591.206-50 *Preparation and transmittal of synopses.* Subject to the requirements of § 2.206 of this title, purchasing officers shall prepare and forward synopses of proposed procurements as follows:

(a) All synopses shall be forwarded via teletypewriter to the Commerce Department Field Services, Chicago, Illinois, simultaneously with or at the earliest practicable time prior to issuance of invitations for bids or requests for proposals as is deemed appropriate.

(b) Each synopsis shall include the following and be prepared on DD Form 173 (Joint Message Form) as described in this paragraph:

(1) The first line of the text of the message will state the number of the synopses being sent. Synopses will be numbered consecutively. Each office where procurement originates will continue its current numbering series. (If a new series is used, the new series will start with 1 (one) on 1 January of each year.) Double space between this and the next line.

(2) The second line of the text of the message will state the name and location of the purchasing office (do not abbreviate except for name of State) straight across the page, not to exceed 69 typewritten spaces, double space and continue on subsequent line or lines if necessary. The address may include an attention phrase directed to an official by name or title.

(3) Four spaces below the preceding line entry (the name and address of the office announcing the proposed procurement) the description of the supplies or services being procured will begin in narrative paragraph form, double spaced, with each line commencing flush with the left-hand margin. If the synopsis contains a number of items having the same purchase reference number and the same bid opening date or advance notice date, the description should be preceded by a blanket statement such as, "The following described items are to be procured under IFB ENG-49-080-55-2-Opening Date, 31 August 1955." The length of the lines in the description will not exceed 69 typewritten spaces. The description will be clear, concise, and with a minimum number of words but sufficient for understanding by interested parties. It will include, as appropriate, commonly used names of supply items, basic materials from which fabricated,

general size or dimensions, citations of specification or drawing numbers, or other data. No abbreviations will be used in describing supplies or services, although standard abbreviations may be used in listing the Quantity, Purchase Reference Number, Specifications and Bid Opening Date. Punctuation symbols will be used as in normal correspondence. Fractions on typewriter keys will not be used but fractions may be expressed by (number) / (number) e. g., 11/16, 1/4, 1/2. The symbol # or @ or * may not be used since they are not used in teletypewriter operation.

(4) Following the complete description of the supplies or services which will end with a period, two hyphens will be used to set off the quantity to be procured. The quantity usually will be stated in numerals followed by the unit. (Abbreviations of units are permissible i. e., lbs., ea., doz.) Whenever it is necessary to use "Indefinite Quantity," the description should include a statement as to the duration of the contract or period covered.

(5) The quantity will be followed by two hyphens before commencing with the Invitation for Bid number or other Purchase Reference Number, which may consist of letters, numerals, or abbreviations separated by hyphens or spaces. Invitations for Bid numbers will be identified and followed by the letter "B" Request for Proposals will be followed by the letter "Q" Purchase Reference Numbers should not be broken or appear on one line carried over on the subsequent line, as the insertion of a hyphen for the carry-over would change the reference number.

(6) Two hyphens will be used following the Invitation for Bid number or Purchase Reference Number to set off the bid opening date or the advance notification date. The date should be stated in military style (date, month, and year, i. e., 1 Aug 54) If the synopsis is published prior to issuance of the invitation for bids or request for proposals, the synopsis shall include a statement to the effect that requests for such invitations or proposals should be received not later than 10 days from the date of publication of such synopsis in order to enable the purchasing office to mail such invitation for bids or request for proposals direct to the inquirer at the time of issuance thereof.

(c) In addition to the foregoing, where the proposed procurement is to be effected in accordance with a small business joint determination (small business joint determinations are made by assigned representatives of the Small Business Administration and the contracting office to earmark all or part of a specific procurement for exclusive participation by small business concerns) the synopsis shall (i) in those cases where there is a 100 percent small business joint determination, state that "The proposed procurement(s) listed herein is (are) under 100 percent small business joint determination," or (ii) in those cases where there is a partial small business joint determination, state that "An additional quantity of ----- is being reserved for small business under a partial joint determination."

(d) Synopses shall be teletyped to the following address at the end of each day:

Synopses
Commerce Department
Field Service
Chicago, Illinois

(e) Where access to the Army Command and Administrative Network (ACAN) is not available, synopses will be dispatched via air mail to the following address:

U. S. Department of Commerce
433 West Van Buren Street
Room 1300
Chicago 7, Illinois

Synopses air mailed will be prepared in the same manner and contain the same information required for synopses which are teletyped (paragraph (a) of this section)

(f) Each reporting office will discuss the instructions contained in this paragraph with its communication office so that the manner in which the message is to be transmitted is understood by the office preparing the message and the communication office.

§ 591.206-51 *Information copies.* In addition to the requirements of § 591.206-50 (a), a copy of the synopses will be forwarded by mail to Procurement Information Center, Office of the Deputy Chief of Staff for Logistics, Department of the Army, Old Post Office Building, Twelfth and Pennsylvania Avenue NW., Washington 25, D. C.

3. Sections 591.251 (a) 591.252 (a), and 591.402 (a) are amended to read as follows:

§ 591.251 *Distribution of invitation for bids.* * * *

(a) *Procurement Information Center.* One copy of every unclassified Invitation for Bids and one copy of every amendment to an unclassified Invitation for Bids shall be sent on the date issued direct to the Procurement Information Center, Office of the Deputy Chief of Staff for Logistics, Department of the Army, Old Post Office Building, Twelfth Street and Pennsylvania Avenue NW., Washington 25, D. C. Letters of transmittal are not necessary. If an invitation is canceled or is substantially changed by the issuance of an amendment which affects specifications, quantity requirements, delivery schedules, qualification of bidders, etc., a complete summary of the reasons for such cancellation or change will be furnished with the copy of the amendment forwarded to the Procurement Information Center. This statement should be detachable from the amendment.

§ 591.252 *Amendments to invitations for bids.* (a) Amendment(s) to Invitation for Bids must be distributed to all recipients of the Invitation for Bids. Amendment(s) to Invitation for Bids shall provide that the bidder may acknowledge receipt of the amendment(s) by so stating in the bid or by separate letter or telegram to the issuing office prior to bid opening. When amendment(s) to the Invitation for Bids are issued, the date set for opening of bids shall be postponed when necessary to

afford bidders sufficient time to receive, consider, and acknowledge receipt of the amendment(s). In the event an amendment involving a change in pricing is not acknowledged prior to the opening of the bids, the bid shall be considered as not responsive, and further inquiry as to receipt need not be made.

* * * * *

§ 591.402 *Recording of bids.*—(a) *Procedure.* Only approved abstract of bids forms will be used for the recording of bids. For every invitation for bids, an abstract of bids form will be prepared as soon as practicable after bids have been opened or as soon as it is decided to cancel the invitation before opening the bids. Since the copy of the abstract furnished to the Procurement Information Center is exhibited to the public, care will be exercised in making the entries on that copy. Information, such as debarment, irresponsibility or apparent collusion of bidders, will not be entered on the abstract of bids, but will be the subject of a separate classified communication, addressed to the Procurement Information Center, Office of the Deputy Chief of Staff for Logistics, Department of the Army, Old Post Office Building, Twelfth and Pennsylvania Avenue NW., Washington 25, D. C.

* * * * *

4. Sections 591.408-1 and 591.408-2 are revoked and § 591.408-50 is added as follows:

§ 591.408-1 *Statement of policy.* [Revoked.]

§ 591.408-2 *Preparation and transmittal of synopsis.* [Revoked.]

§ 591.408-50 *Preparation and transmittal of synopsis.* (a) Purchasing offices shall prepare and forward single copies of synopses of contract awards, using the same format as synopses of proposed procurements, § 591.206-50, to the address below, by air mail, before the close of business at the end of each week.

U. S. Department of Commerce
433 West Van Buren Street
Room 1300
Chicago 7, Illinois

(b) Synopses of contract awards shall contain the following information.

(1) The name and address of purchasing office;

(2) A clear and concise description of the supplies or services being procured, sufficient for understanding by interested persons, which will include, as appropriate, abbreviations, commonly used names of supply items, basic materials from which fabricated, general size or dimensions, citation to specification or drawing number, or other identifying data, such description to be followed by the contract number and, in parentheses, by the applicable number of the invitation for bids or request for proposals;

(3) The quantity of items;

(4) The dollar amount of the award;

(5) The name and full address of the Contractor; and

(6) When requested by the Prime Contractor, a statement of industries, crafts, processes, or component items in or for which subcontracts are available and subcontractors are desired, in sub-

stantially the following form: "Prime Contractor has subcontract work for the following: (insert the applicable industries, crafts, processes, or component items) and desires that subcontractors be located in (insert the general area, if any, indicated by the Prime Contractor, such as Southeast States, West Coast, New England, etc.)."

(c) In addition to the addresses specified in paragraph (a) of this section, one copy of the synopsis will be forwarded by mail to the Procurement Information Center, Office of the Deputy Chief of Staff for Logistics, Department of the Army, Old Post Office Building, Twelfth and Pennsylvania Avenue NW., Washington 25, D. C.

5. Paragraph (c) (1) of § 591.450 is amended to read as follows:

§ 591.450 *Distribution of bids and abstracts.* * * *

(c) *Procurement Information Center* (1) Within 3 days after bids have been opened and final action taken thereon, a copy of the abstract of bids will be mailed to the Procurement Information Center, Office of the Deputy Chief of Staff for Logistics, Department of the Army, Old Post Office Building, Twelfth and Pennsylvania Avenue NW., Washington 25, D. C.

6. Subpart C of Part 606 is revised to read as follows:

SUBPART C—PROCUREMENT ACTION REPORTING

Sec.	
606.301	General.
606.301-1	Purpose.
606.301-2	Report forms.
606.301-3	Records disposition.
606.302	Procurement action.
606.303	Individual Procurement Action Report; Reports Control Symbol CSGLD-525 (R1) (DD Form 350).
606.303-1	General.
606.303-2	Preparing agencies.
606.303-3	Security information.
606.303-4	Transmittal.
606.303-5	Preparation instructions.
606.304	Monthly Summary of Procurement Actions; Reports Control Symbol CSGLD-534 (R2) (DA Form 377).
606.304-1	General.
606.304-2	Preparing agencies.
606.304-3	Transmittal, routing, and due dates.
606.304-4	Preparation instructions.
606.305	Procurement (claimant) programs (DDCP).

§ 606.301 *General.*

§ 606.301-1 *Purpose.* This part prescribes reports for furnishing information of procurement actions to the Office of the Deputy Chief of Staff for Logistics and to higher echelons within the Department of Defense. The information furnished provides basic data for reporting requirements established by law and Department of Defense regulations.

§ 606.301-2 *Report forms.* Reports will be prepared on the following forms which will be stocked in adjutant general publication depots. Initial distribution will be made by July 1, 1955. Subsequent supply will be requisitioned through normal publication supply channels.

(a) DD Form 350 (Individual Procurement Action Report), revised May 1, 1955.

(b) DA Form 377 (Monthly Summary of Procurement Actions), revised June 1, 1955.

§ 606.301-3 *Records disposition.* Paragraph 22b, SR 345-250-90 (Special regulations of the Army governing records administration)

§ 606.302 *Procurement action.* For the purpose of these reports, the term "procurement action" refers to certain contractual actions as defined and limited in paragraphs (a) through (c) of this section.

(a) Contractual actions which are to be reported under this report system include those which apply to the purchase, rental, lease, or other procurement of supplies, services, or construction from private sources, Government agencies, or foreign governments; provided such actions either:

(1) Obligate or deobligate funds appropriated to the Department of the Army; or

(2) Are placed against stock or other revolving funds replenished from appropriated funds or against appropriated funds transferred to the Department of the Army such as Mutual Defense Assistance Program (MDAP) funds, or Department of the Air Force construction project funds.

(b) By way of description and without limitation, action falling within the categories listed in paragraph (a) of this section include the following:

(1) Letter contracts.

(2) Definitive contractual instruments, both new awards and superseding contracts. (See also § 1.201-6 and Subpart D, Part 3 of this title.)

(3) Purchase orders, job orders, task orders, and other orders against existing contracts as clarified by the following:

(i) Term and open-end contracts, or other agreements for obtaining supplies which do not include specific quantities or total dollar value, are not reported. Instead, reports are made of orders placed against such contracts.

(ii) Reports are not made of job orders or requisitions against Army manufacturing installations. In this case, reports are made of contracts for the materials necessary to accomplish the job order, to fill the requisition, or to replenish stocks of materials so used.

(iii) Reports are not made of delivery orders against call type contracts. In this case the original transaction placing the contract is reported.

(4) Small purchase instruments.

(5) Modifications to existing contracts as limited by the following for the purpose of these reports:

(i) Modifications consist of:

(a) Change orders or any other documents which modify the total contract price but which are not reduced to supplemental agreements.

(b) Supplemental agreements modifying the total contract price.

(c) Termination actions, including notices of termination which result in a deobligation of funds even though they are not formal modifications.

(ii) Such modifications, whether debit or credit will be reported when they meet the following criteria:

(a) When making a change of \$10,000 or more.

(b) When making a change, irrespective of dollar value to negotiated contracts which in the absence of an emergency requiring use of the authority under section 2 (c) (1), Public Law 413, 80th Congress are, or would otherwise be, negotiated under section 2 (c) (11) or 2 (c) (16).

(c) Contractual actions which are not to be reported include those which do the following:

(1) Apply to the rental or lease of real estate.

(2) Apply to requisitions which transfer supplies or services within or between military departments or joint procurement agencies of the Department of Defense (Military Interdepartmental Procurement Requests)

(3) Apply to orders placed against contracts entered into by the Armed Services Petroleum Purchasing Agency (ASPPA)

(4) Apply to civil functions such as Engineers Civil Works and Alaska Communications System.

(5) Obligate or deobligate nonappropriated funds.

§ 606.303 *Individual Procurement Action Report; Reports Control Symbol CSGLD-525 (R1) (DD Form 350)*

§ 606.303-1 *General.* (a) DD Form 350 will be prepared for all actions defined in § 606.302 which have a value of \$10,000 or more. (An exception to the general requirement and the subject of separate instructions are actions of the Quartermaster Corps which have a dollar value of \$10,000 through \$25,000 and which relate to the procurement of perishable subsistence.)

(b) DD Form 350 will be prepared for the following actions without regard to dollar value:

(1) Actions relating to negotiated contracts which in the absence of an emergency requiring use of authority under section 2 (c) (1) Public Law 413, 80th Congress are, or would otherwise be, negotiated under section 2 (c) (11), or 2 (c) (16)

(2) Oversea procurement actions involving MDAP funds.

(3) Letter contracts.

(4) Definitive contracts superseding letter contracts, without regard to whether additional funds are obligated.

§ 606.303-2 *Preparing agencies.* Reports will be prepared by the purchasing office affecting the procurement.

§ 606.303-3 *Security information.* Classification of DD Form 350 is dependent upon the information reported on the form and is not dependent upon the security classification of the contract (Item 24) Security information will not be entered on DD Form 350. For that reason DD Form 350 will not be classified.

§ 606.303-4 *Transmittal—(a) Method of transmission.* Preparing offices will submit DD Forms 350 by airmail where

appropriate. Letters of transmittal will not be used.

(b) *Due dates.* (1) The following will forward DD Forms 350 within 4 working days after the date of the procurement action being reported:

(i) Class II installations, class II activities, and class III installations which are under the command of a technical service.

(ii) Oversea purchasing offices, except as provided in subparagraph (3) of this paragraph.

(2) The following will forward DD Forms 350 together with DA Forms 377 not later than the 5th working day of the month following the month in which the procurement action was effected.

(i) Class I installations and activities.

(ii) Class II installations, class II activities, and class III installations which are under the command of a staff agency other than a technical service.

(3) Installations and activities located in Territories and possessions will forward DD Forms 350 to the appropriate central headquarters preparing the consolidated DA Form 377 (§ 606.304-2 (c) (3)) by the dates prescribed by the central headquarters concerned.

(c) *Routing.* (1) Original DD Forms 350 will be forwarded to the appropriate chief of technical service for coding when the procurement action utilizes funds of:

(i) A technical service.

(ii) Another military department or Federal agency. Concurrently, a copy will be forwarded to the Office of the Deputy Chief of Staff for Logistics.

(2) Original DD Forms 350 will be forwarded to the Office of the Deputy Chief of Staff for Logistics, Department of the Army, Attn: Chief, Purchases Branch, when the action utilizes funds of a command or agency other than those described in subparagraph (1) of this paragraph.

(3) One additional copy will be furnished the Office of the Deputy Chief of Staff for Logistics in cases where the action reported:

(i) Has a value of \$500,000 or more, or

(ii) Involves MDAP funds obligated by overseas commands (without regard to dollar value)

(4) For each procurement action relating to a contract subject to the Walsh-Healey Public Contracts Act (Subpart F Part 12, of this title), two additional copies of the top portion (first 13 items) of DD Form 350 will be prepared and forwarded direct to the Department of Labor, Attn: Wage, Hour, and Public Contracts Division, Washington 25, D. C.

§ 606.303-5 *Preparation instructions—*

(a) *Item 1—Report number.* (1) Enter the report number. In addition:

(i) Enter in parentheses the report number of the letter contract if this action is a definitive contract superseding a letter contract.

(ii) Enter in parentheses the report number of the most recent procurement action relating to the contract involved if the action is a modification.

(2) The report number is the serial number assigned each DD Form 350 by the preparing office (installation, activity, or individual Contracting Officer).

It is determined by consecutively numbering reports from the beginning of each fiscal year and by adding to this a hyphen followed by the last two digits of the fiscal year. The number is based on the date of the report and not the date of the procurement action. For example, the 12th report submitted in fiscal year 1956 will be numbered "12-56."

(3) Where more than one activity in a purchasing office utilizes the same station number, the purchasing office will assign blocks of numbers to each activity to avoid duplication of report numbers.

(b) *Item 2—Department.* Enter "Army" if not already preprinted.

(c) *Item 3—Bureau, technical service, or command.* Enter the name of the procuring Activity having responsibility for the procurement action; such as Quartermaster Corps, USAREUR, Third Army, or National Guard.

(d) *Item 4—Procuring office and address.* Enter the title, address, and station number in sufficient detail to identify the office or individual Contracting Officer preparing the report.

(e) *Item 5a—Contractor name, business address.* Enter the complete name and business address of the Contractor including the street or post office box.

(f) *Item 5b—Division of.* Enter the name of the parent company where the Contractor identifies itself as a division of a parent company.

(g) *Item 6—Place of performance.* (1) Enter the location of the plant in which the items will be produced, or the place of business from which the items will be supplied. This requirement applies even where the Contractor subcontracts the order or acts as a broker. If the supply or production source is unknown, not available, or identical with Item 5a, so indicate. Enter the site of the work for construction contracts, and for design contracts where the site is known.

(2) In the event that the contract has been placed for partial or complete performance, in a group D, E, or F labor surplus area (Item 17 (a) (1)) the place of performance will be entered in sufficient detail to identify the particular Group D, E, or F area involved. Group D, E, and F areas are geographical areas defined in the Department of Labor publication "Bi-monthly Summary of Labor Market Developments in Major Areas." These areas are listed alphabetically in the related list, "Areas of Substantial Labor Surplus" (formerly Group IV areas). Another Department of Labor publication, the "Directory of Important Labor Market Areas," identifies the major area in which a particular community is located.

(i) If more than one place of performance is listed and not all are Group D, E, or F labor surplus areas, the Group D, E, or F labor surplus areas will be listed first.

(ii) Where more than one place of performance is listed including one or more Group D, E, or F labor surplus areas, see instruction (2) under Item 25—Remarks.

(h) *Item 7—Contractual instrument number.* Enter the number of the basic contract (§ 606.203-4 (a)) If the con-

tractual instrument is not numbered, so state.

(i) *Items 8—Kind of procurement action.* (1) For each procurement action, specify the kind of action by checking one of the Sub-Items (1) through (4) Sub-Item (4)—Orders, refers to an order against an open-end, indefinite quantity, or term contract. It does not refer to purchase orders. Purchase orders will be reported as definitive contracts.

(2) In addition if the action is a modification meeting the criteria set forth in § 606.302 (b) (5) report it as follows:

(i) *Sub-item (5)—Amendment No.* Do not use.

(ii) *Sub-Item (6)—Change order No.* Check this sub-item only if the action is a change order, or other document, which modifies the total contract price and which will not be reduced to a supplemental agreement. State the number of the modification. Report no other change orders under this sub-item. However report under Sub-Item (7) change orders which affect the total contract price, after such change orders have been reduced to supplemental agreements.

(iii) *Sub-Item (7) — Supplemental agreement No.* Check this sub-item if the action is a supplemental agreement which is other than a termination settlement agreement and is one which modifies the total contract price. State the number of the modification.

(iv) *Sub-Item (8)—Termination or partial termination No.* Check this sub-item if the action is a termination action (including termination for default of the Contractor) If the termination action is a supplemental agreement, state the number of the modification.

(3) Under Item 25—Remarks, see instruction (3) (4) or (5) respectively, if the action is:

(i) A definitive contract superseding a letter contract.

(ii) A call type contract or a delivery order against an open-end contract.

(iii) A modification.

(j) *Item 9a—Item number* Do not use.

(k) *Item 9b—Description of commodity or service and end use of commodity.* (1) Except for classified items, enter a brief, explicit description of the major item being procured. To insure correct coding, closely check the entry made under this item with the entry for Item 9g.

(2) If the description of the item bears a security classification, enter only the word "classified."

(3) Heads of Procuring Activities, by supplemental instructions, may require that detailed lists of all separate items be appended to the report form.

(l) *Item 9c—Unit.* Self-explanatory.

(m) *Item 9d—Quantity.* Self-explanatory.

(n) *Item 9e—Unit price.* Self-explanatory.

(o) *Item 9f—Commodity code or class.* Do not use.

(p) *Item 9g—DDCP Nr* (1) As determined from the list of individual procurement programs set forth in § 606.305, specify the Department of Defense Claimant Code Number for the commodity described in Item 9b.

(2) Except for programs B-9 and C-2, designate the subprogram where the program is subdivided. For example, cite "A-4a," "C-9e," etc., as appropriate. However cite "B-1," "B-3," etc., as appropriate where the procurement program is not subdivided.

(3) Cite commodities falling under procurement programs B-9 and C-2 as "B-9" or "C-2," as appropriate.

(q) *Item 10—Value of procurement action.* (1) Enter the total value of the procurement action being reported. Dollar amounts will be entered to the nearest whole dollar. Decimal points and digits for cent values will not be included.

Examples:

1. Enter the nearest whole dollar amount of \$12,571 for either of the following values, \$12,571.49 or \$12,570.50.

2. Enter the flat amount of \$12,571 for a value of \$12,571.

(2) Where the procurement action involves MDAF funds see instruction (6) under Item 25—Remarks.

(3) If the action is a modification, enter the value of the action being reported rather than the total value of the contract. Enter the symbol DD (for debit) after the amount if it is an increase. Enter the symbol CR (for credit) after the amount if it is a decrease. The value of a new contract or purchase order against a defaulting Contractor will be reported in the usual manner for new procurements.

(r) *Item 11—Date of procurement action.* Enter the day, month, and year a mutually binding agreement was reached. If the action is a modification enter the modification, not the date of the basic contract.

(s) *Item 12—Estimated completion date.* Enter the month and year provided in the contract for its completion. If the contract does not provide for the completion date, enter the estimated month and year for completing performance.

(t) *Item 13—Contract subject to Walsh-Healey Act.* (1) Show whether the contract is subject to the Walsh-Healey Public Contracts Act. Generally the Act does not apply to procurement outside the United States, its Territories and possessions; but see § 12.602 of this title for applicability of the Act.

(2) If the contract is subject to the Act, show whether the Contractor is a manufacturer or regular dealer as defined in § 1.201-9 of this title.

(u) *Item 14—Cumulative net total dollar value of this contract.* (1) Make no entry unless the action is a modification affecting the value of the basic contract.

(2) If the action is a modification affecting the value of the basic contract make the following entries, using whole dollar amounts as explained under item 10:

(i) In Sub-Item a, enter the cumulative net total dollar value of the contract prior to the modification being reported. This value includes all modifications, even though the value of a particular modification may not have been large enough to have been reported on a DD Form 350 initially.

(ii) In Sub-Item b, enter the cumulative net total value of the contract including the value of the modification being reported.

(v) *Item 15—Contract placement.* (1) Check one of the Sub-Items (1) through (4) Govern by the basic contract reports covering orders against existing contracts. For example:

(i) A delivery order placed by a procuring activity against an advertised open-end contract awarded by the same procuring activity will be reported in Sub-Item (3)—Advertised.

(ii) A delivery order placed against an open-end contract awarded by the General Services Administration will be reported in Sub-Item (2)—Interdepartmental.

(2) *Sub-Item (1)—Interservice.* Check this sub-item if the procurement action was placed against a contract entered into by:

(i) Another military department.

(ii) Another Army activity.

(iii) The Armed Services Medical Procurement Agency (ASMPA)

(3) *Sub-Item (2)—Interdepartmental.* Check this sub-item:

(i) If the procurement action was placed against a contract entered into by any United States Federal department, agency, institution, or corporation outside the Department of Defense; or

(ii) If the procurement action is a contract placed with any United States Federal department, agency, institution, or corporation outside the Department of Defense.

(4) *Sub-Item (3)—Advertised.* Check this sub-item if the action relates to a Department of the Army procurement resulting from acceptance of a bid made in response to formal advertising for bids. (Part 2 of this title and Part 591 of this subchapter.)

(5) *Sub-Item (4)—Negotiated.* Check this sub-item if the action relates to a Department of the Army procurement resulting from negotiation procedures. (Part 3 of this title and Part 592 of this subchapter.)

(w) *Item 16—Negotiated under exception PL 413.* Do not use this item unless Item 15 (4) was checked.

(1) *Sub-Item 1-2 (c) (1)* For the duration of a national emergency (§ 3.201 of this title and § 592.201 of this subchapter) check this sub-item as the authority for negotiation.

(i) Specify the alternate exception which would have been used for negotiation had exception 2 (c) (1) not been available.

(ii) If exception 2 (c) (17) is cited, state the specific legal authority used. For priority of use of the various exceptions see § 592.250 of this subchapter.

If none of the alternate exceptions apply, check or state the reason for negotiation. For this purpose:

(a) The term "joint determination" means "small business determination" as defined in § 606.702 (1)

(b) The term "set aside" designates a procedure whereby a portion of an advertised or negotiated procurement, to be performed substantially in labor surplus areas, is reserved for negotiation exclusively with firms located in such labor surplus areas. (§ 1.302-4 (a) (2) of this title.)

(2) *Sub-Item 2—Other PL 413 provisions.* Do not use during a period of national emergency when exception 2 (c) (1) is available for citation. In the absence of a national emergency, specify the exception used as negotiation authority. (§§ 3.202 through 3.217 of this title and §§ 592.202 through 592.217 of this subchapter.)

(x) *Item 17—Labor surplus.* Use only for new and modifying actions relating to supply contracts of \$10,000 or more. (See instructions for Item 21—Contract Purpose.)

(1) *Sub-Item a.* Show whether the contract was placed in a group D, E, or F labor surplus area. If the contract was placed in a Group D, E, or F area, specify the geographical area involved. See Instruction (2) under Item 6—Place of Performance.

(2) *Sub-Item b.* Show whether preferential treatment was given if the contract was awarded in a Group D, E, or F labor surplus area.

(3) *Sub-Item c.* If preferential treatment was given check whether "set aside" (§ 1.302-4 (a) (2) of this title) or "tie bid" (§ 2.406-4 of this title)

(y) *Item 18—Small business.* Use for both new and modifying actions.

(1) *Sub-Item a.* Check whether the Contractor is a large or small business (§ 606.702 (j)). However, where the Contractor is located outside the continental United States, its Territories and possessions, check Sub-Item a (3). For reporting under this sub-item, classify educational, noncommercial, and nonprofit institutions other than Governmental agencies on the same basis as other Contractors.

(2) *Sub-Item b.* If Sub-Item a (1) is checked, one of the Sub-Items b (1) through b (6) must be checked.

(i) Check Sub-Item b (1) only when the item or service being procured requires a firm to have 500 or more employees to supply it in normal quantities.

(ii) Check Sub-Item b (2) only when the action was placed with a large business firm either as a sole source, or as a limited number of specific sources all of which are large.

(iii) Check one of the Sub-Items b (3) through b (6) on the basis of the facts determined at the time of award of contract. For reporting under these sub-items, the term "bid" includes proposals under negotiated procurement as well as bids received under formally advertised procurement.

(z) *Item 19—Synopsis of procurement.* Self-explanatory.

(aa) *Item 20—Type of contract.* Check the appropriate sub-item as determined from the provisions of the contract. See Subpart D, Part 3 of this title for an explanation of the types of contracts.

(bb) *Item 21—Contract purpose.* Show the purpose of the contract as indicated by the descriptions below. Caution: Before completing this item, check the commodity description entered in Item 9b. For example: A procurement action, which in Item 9b is described as construction of a research laboratory or construction of an ammunition plant, must be shown as "Construction (Real

Property)" in Item 21. In the same manner, research and development described in Item 9b must appear as "Research, Development and Experimental" in Item 21. Supplies obtained for the purpose of research and development must be shown as "Supply," even though research and development funds are expended.

(1) *Supply.* Applies when procurement is for supplies purchased with appropriate funds.

(2) *Professional services.* Applies to contracts for the performance of professional services such as contracts for the performance of architectural and engineering services.

(3) *Construction (real property).* Applies to the construction, alteration, or repair of buildings, bridges, roads, or other real property.

(4) *Lease.* Applies to leases of personal property involving expenditure of appropriated funds.

(5) *Maintenance, buildings, and grounds.* Applies to supplies and personal services involving maintenance of buildings and grounds.

(6) *Maintenance, equipment.* Applies to maintenance of equipment, munitions, and supplies excluding construction. Also applies to ship repair.

(7) *Research, development, and experimental.* Where this purpose is shown for a negotiated procurement action, Item 16 (1) (a) or Item 16 (2) must specify exception 2 (c) (11) (§ 3.211 of this title and § 592.211 of this subchapter.)

(8) *Personal services.* Where this purpose is shown for a negotiated procurement action, Item 16 (1) (a) or Item 16 (2) must specify exception 2 (c) (4) (§ 3.204 of this title and § 592.204 of this subchapter.)

(9) *Nonpersonal services.* Applies to such services as the rental of unreserved garage space, meals for inductees, laundry and dry cleaning, and packing and crating.

(10) *Transportation.* Applies to tug services, stevedoring, freight handling, drayage, ocean transportation, motor van services, repair of railroad equipment, towage, lighterage, truck services, salvage services, and lumber handling. Does not apply to Government bills of lading, transportation services procured by transportation agreements which do not involve receipt of, or expenditure of funds, such as switching agreements, rate and traffic agreements, track and interchange agreements, participation on railroad codes and rules, and acceptance of quotations under Section 22 of the Interstate Commerce Act.

(11) *Utilities.* Applies to utility services such as electric, gas, water, sewage, and steam.

(12) *Facilities (industrial).* Applies to facilities type contracts.

(cc) *Item 22—Industrial mobilization—(1) Sub-Item a.* In addition to the contract purpose noted in Item 21, check under this sub-item whether the action was entered into for the purpose of industrial mobilization. (§ 3.216 of this title.) If this sub-item is checked, Item 16 (1) (a) or Item 16 (2) must specify 2 (c) (16).

(2) *Sub-Item b.* Check this sub-item to show whether a price differential was allowed.

(dd) *Item 23—Planning status.* Check one of the Sub-Items (1) through (4) to show whether the Contractor is a planned producer and whether the item is a planned item.

(1) A planned producer is a company or firm included in the production allocation program. A listing of such companies and firms is made in the Department of Defense publication, "Alphabetical Register of Planned War-time Materiel Suppliers."

(2) A planned item is an item specified in the current edition of the "Department of Defense Preferential Planning List of End Items" and the "Department of the Army Planning List."

(ee) *Item 24—Security classification of this contract.* Show the security classification of the contract described. The security classification shown in Item 24 will be the highest classification appearing on the Security Requirement Check List (DD Form 254). Irrespective of the classification shown here, DD Form 350 will remain unclassified. (§ 606.303-3.)

(ff) *Item 25—Remarks.* Use headings set forth below to identify remarks.

(1) *General.* Enter any additional information necessary for a proper understanding of the report.

(2) *Value of labor surplus area procurements.* Where more than one place of performance is listed in Item 6 including one or more Group D, E, or F labor surplus areas, show the dollar value of the contract to be performed in each Group D, E, or F labor surplus area.

(3) *Letter contract.* Identify a letter contract for obligation or payment of funds [Item 8 (1)] by listing the:

(i) Title of the approving authority.

(ii) Estimated contract cost.

(iii) Expiration date of the letter contract by day, month, and year.

(4) *Open-end or call type contract.* Where the action is a call type contract or an order against an open-end contract, state this fact.

(5) *Modification.* Amplify the basis of, or the reason for, the modification. For example: "Modification is due to price redetermination (or voluntary price reductions) (or specification changes)."

(6) *MDAP procurement.* Where a procurement involves the use of MDAP funds, state that it is an MDAP procurement. When the total dollar value of the contract being reported (Item 10) includes procurement for requirements other than MDAP show the dollar value of the MDAP procurement.

(7) This space may also be used for additional data when required by Heads of Procuring Activities.

(gg) *Item 26—Name and grade/rank or title of negotiator or buyer.* Do not use unless the Head of a Procuring Activity requires this item to be completed.

(hh) *Item 27—Date of report.* Enter the day, month, and year the report is prepared.

§ 606.304 *Monthly Summary of Procurement Actions; Reports Control*

Symbol CSGLD-534 (R2) (DA Form 377)

§ 606.304-1 *General.* DA Form 377 will be prepared each calendar month for all actions defined in § 606.302.

§ 606.304-2 *Preparing agencies.* Reports will be prepared by the purchasing office effecting the procurement. However where prescribed below, intermediate headquarters or offices will receive and consolidate reports of subordinate purchasing offices or individual Contracting Officers.

(a) Except as otherwise provided in paragraph (b) of this section for general depots, class II installations, class II activities, and class III installations which are under the command of a technical service will prepare a single report combining all reportable procurement actions. The technical service having command responsibility for the installation or activity will be entered in the space provided in the heading of the form.

(b) General depots will prepare a separate consolidation for each procuring technical service. Procurement actions relating to Army support functions will be included in the consolidation of the technical service having command responsibility for the installation. The appropriate technical service will be entered in the space provided in the heading of the DA Form 377 pertaining to its consolidation.

(c) The headquarters or offices listed in subparagraph (1) through (3) of this paragraph will make one consolidation on a single DA Form 377, attaching original copies of DD Form 350 prepared for actions taken during the month. The appropriate Army command, overseas command, or staff agency will be entered in the space provided in the heading of the form.

(1) Class I installations and activities.

(2) Class II installations, class II activities, and class III installations which are under the command of a staff agency other than a technical service.

(3) Central headquarters for installations and activities located in Territories and possessions of the United States.

(d) Purchasing offices of overseas commands, except as provided in paragraph (c) (3) of this section will make one consolidation on a single DA Form 377. Consolidations of central purchasing offices will include the reports of subordinate offices. The overseas command will be placed in the space provided in the heading of the form.

§ 606.304-3 *Transmittal, routing, and due dates.* (a) Preparing offices will submit DA Form 377 by airmail where appropriate. Letters of transmittal will not be used.

(b) On the dates specified in subparagraph (1) and (2) of this paragraph, the original of DA Form 377 prepared for a consolidated report and, where appropriate, for an individual report will be forwarded direct to the Office of the Deputy Chief of Staff for Logistics, Department of the Army, Attn: Chief, Purchases Branch.

(1) The following will forward reports not later than the 10th working day after the close of the calendar month:

(i) Class II installations, Class II activities, and Class II installations which are under the command of a technical service.

(ii) Purchasing offices of overseas commands, except however, that a consolidating office will prescribe the reporting date for its subordinate offices. (For purchasing offices located in Territories and possessions of the United States, see subparagraph (2) of this paragraph.)

(2) The following will forward reports not later than the 5th working day after the close of the calendar month:

(i) Class I installations and activities.

(ii) Class II installations, class II activities, and class III installations which are under the command of a staff agency other than a technical service.

(iii) Central headquarters for installations and activities located in Territories and possessions of the United States.

(c) At the time of submission to the Office of the Deputy Chief of Staff for Logistics, one copy of the report will be forwarded to the Head of the Procuring Activity cited in the heading of DA Form 377.

(d) Negative reports are required.

§ 606.304-4 *Preparation instructions.* The following list of preparation instructions covers only those portions of the form which are not self-explanatory.

(a) *Station number—(1) Initiating or consolidating agency.* Enter the station number of the initiating or consolidating agency, as appropriate.

(2) *Sub agency or activity.* Where the summary includes reports of subordinate agencies or activities which have station numbers different from that of the initiating or consolidating agency list the station numbers. If a subordinate agency or activity is normally included, list its station number even though it submits a negative report.

(b) *Section I—Procurement actions—(1) Grand total.* For application of the terms listed below, see the explanation under the appropriate item instruction for DD Form 350. Preparation instructions for DD Form 350 item entries are set forth in § 606.303-5.

(i) Small and large business firms—Item 18.

(ii) Advertised—Item 15 (3)

(iii) Negotiated—Item 15 (4)

(iv) Interdepartmental—Item 15 (2)

(v) Interservice—Item 15 (1)

(2) *Line 2—Total \$10,000 or more.* Enter the total number and value of new and modifying procurement actions taken during the month which have a value of \$10,000 or more.

(i) These figures include procurement actions relating to perishable subsistence which have a value of \$10,000 through \$25,000 but which are not reported on DD Form 350.

(ii) These figures exclude procurement actions under \$10,000 which are reported on DD Form 350 (§ 606.303-1 (b))

(3) *Line 3—Total under \$10,000.* Enter the total number and value of new procurement actions taken during the

month which have a value of less than \$10,000, but do not report modifications. These figures include new procurement actions under \$10,000 previously reported on DD Form 350 (§ 606.303-1 (b))

(c) *Section II—Utilization of small purchase procedure.* For an explanation of small purchase procedures see Part 6, Section III, ASPR and APP

(d) *Section III—Circumstances permitting negotiation.* For application of this section see instructions for item 10, DD Form 350 (§ 606.303-5)

(e) *Section IV—Special utilization—(1) Line 48—Open-end contracts.* (i) Enter the total number of open-end contracts currently in force at the end of the month which were entered into by the reporting agency or by any one of its subordinate agencies or activities not reporting this data direct to the Office of the Deputy Chief of Staff for Logistics.

(ii) Enter the total number and value of delivery orders which were issued during the month against open-end contracts entered into by a procuring activity of the Department of the Army. Do not report orders against open-end contracts entered into by a procuring activity of any other military department or Federal agency.

(2) *Line 49—Call type contracts.* Using the procedure prescribed above for open-end contracts, enter appropriate data for call type contracts.

(3) *Line 50—Charge accounts.* (i) Enter the total number of individual transactions consolidated by purchase orders which were issued during the month in payment of charges incurred under charge accounts.

(ii) Enter the total number and value of purchase orders which were issued during the month in payment of charges incurred under charge accounts.

(f) *Remarks.* Enter any additional information necessary for a proper understanding of the report.

§ 606.305 *Procurement (claimant) programs (DDCP)* (a) A DDCP Nr designates a program grouping of supplies, services or construction in terms of materials, funds, and end items. Individual programs and their subprograms are set forth in paragraph (d) of this section.

(b) A procurement program selected on the basis of the use of the supplies or work purchased, will include all items pertaining to the following when planned use is known at the time of purchase.

(1) Crating, packaging materials, and dunnage.

(2) Conversion, maintenance, and repair, including:

(i) Materials.

(ii) Services (performed by Contractor)

(iii) Operating supplies.

(iv) Parts and spares.

(3) Related training equipment and devices (including technical manuals and publications)

(4) Related research and development and preproduction materials and equipment. An exception, however, is the construction of research and development facilities which are included in program C-2.

A-3 SHIPS PROGRAM

Includes	Excludes	Program in which exclusions are included
Construction of vessels of all types. Total cost of services, civilian labor, and ships parts used in conversion repair, overhaul and modernization, whether done by private contractors or in Government shipyards. Ship parts (except those excluded). Ship armor not procured with, or as a part of weapons. Aircraft catapults and arresting gear. Assault boats. Floating cranes, floating drydocks, and bridge erection boats. Production equipment procured as a part of and mounted on floating equipment. Tracked amphibious vehicles, such as LVT's. Shipborne depainting and degaussing equipment. Special jigs, dies, and fixtures, which can be used only in specific shipbuilding operations, including inspection gages.	Guns, rocket launchers, torpedo tubes, depth charge projectors, and other weapons. Fire control equipment. GFE electronic equipment, e.g., communications, fire control, radar, etc. Ship equipment and housekeeping supplies such as, brooms, soap, paint, grease, light bulbs, mess and galley utensils, cleaning rags, office supplies, clothing and other personnel items, recreation equipment and supplies, and similar types of items which are not usually produced as ship parts. Pontoon (including propelling units) fabric or rubber life rafts. GFE production equipment.	A-5 A-5 A-7 Generally, A-9 or C-9 B-1 A-9 B-9

A-4 TANK AUTOMOTIVE PROGRAM

This program consists of two subprograms: (a) Combat Vehicles and (b) Noncombat Vehicles

(a) COMBAT VEHICLES

Includes	Excludes	Program in which exclusions are included
Tanks. Self propelled gun motor carriages. Other combat vehicles. Combat vehicle parts. Modification whether done in private or in Government production facilities. Special jigs, dies, and fixtures which can be used only in producing a specific combat vehicle model.	Weapons. Fire control equipment. GFE electronic equipment, e.g., communication fire control, etc. Tracked amphibious vehicles, such as LVT's. Production facilities. General purpose production equipment.	A-5 A-5 A-7 A-3 C-2 B-3

(b) NONCOMBAT VEHICLES

Includes	Excludes	Program in which exclusions are included
Trucks, ambulances, passenger cars, buses, motor cycles, and other motor vehicles including wheeled amphibious vehicles (except vehicles identifiable to the construction equipment portion of the Miscellaneous Equipment Program C-9). Power-driven trucks, decontaminating bicycles. Trailers and remittances. Repair, maintenance, and other special purpose noncombat vehicles. Prime, Contractor furnished repair, rebuild, production and service equipment prepared as a part of and mounted on noncombat vehicles. Other accessories and parts readily identifiable for noncombat vehicle use such as tires, spare parts, batteries, etc. Modification whether done in private or in Government production facilities (sits) Special jigs, dies, and fixtures which can be used only in producing a specific noncombat vehicle model, including inspection gages.	Weapons. GFE electronic equipment, e.g., communication fire control, radar, etc. Fire control equipment. Workshops, aircraft, on land, air, and water. GFE repair, production, and service equipment mounted on noncombat vehicles.	A-5 A-5 A-5 C-9 C-9

- (c) When the plan used is not known:
- (1) Items pertaining to the supplies and work listed in paragraph (b) (3) and (4) of this section will be identified with the appropriate C-9 subprogram and (2) of this section will be identified with program C-3

A-1 AIRCRAFT PROGRAM

This program consists of three subprograms: (a) Airframes and Related Assemblies and Spares; (b) Aircraft Engines and Related Spares and Spare Parts; and (c) Other Aircraft Equipment and Supplies not included in subprograms (a) and (b)

(a) AIRFRAMES AND RELATED ASSEMBLIES AND SPARES

Includes	Excludes	Program in which exclusions are included
Complete aircraft (procured as such) or, bell copiers, excluding (GFE). Airframe assemblies and spares, such as, tail assemblies, wing assemblies, landing gears, etc. Special jigs, dies, and fixtures to be used only in the fabrication of a specific airframe model (including variations thereof). Maintenance tools peculiar to the aircraft.	GFE tires and tubes. General purpose production equipment. Production facilities.	A-10 B-9 C-2

(b) AIRCRAFT ENGINES AND RELATED SPARES AND SPARE PARTS

Includes	Excludes	Program in which exclusions are included
Aircraft engines and parts. Assist takeoff other than droppable units. Aircraft jet engines and parts used, without major modification, on guided missiles. Special jigs, dies, and fixtures to be used only in the fabrication of a specific model of aircraft engine, including inspection gages. Maintenance tools peculiar to the engine.	Aircraft engines incorporated in aircraft. Assist takeoff (ATO), droppable units only. General purpose production equipment. Production facilities.	A-1a A-6 B-9 C-2

(c) OTHER AIRCRAFT EQUIPMENT AND SUPPLIES NOT INCLUDED IN SUBPROGRAMS (a) AND (b)

Includes	Excludes	Program in which exclusions are included
Aircraft instruments and parts (except electronic equipment for communication, fire control and radar). Electrical equipment, such as, generators, inverters, starters, alternators, etc. Aircraft propellers and hubs. Mobile training units. Flight simulators. Ground handling equipment peculiar to a specific model of aircraft. Other accessories and parts readily identifiable for aircraft use, such as gun turrets, bomb racks and releases, rocket launchers, fuel tanks, droppable aircraft tanks, GFE tires and tubes, control wires, servo and other control mechanisms, etc.	GFE electronics and communications equipment. GFE weapons. GFE fire control, bomb sights, and related electromechanical devices. Aircraft weapons. Photographic equipment. Airborne accessories not an operational part of the aircraft, such as, lifelines, oxygen masks, parachutes, fire extinguishers, etc. Organizational equipment, such as general ground or deck handling equipment, ships, hangar, and airfield equipment.	A-7 A-5 A-5 or A-7 C-9 A-5 A-5 or C-9 B-9 or C-9

A-2 GUIDED MISSILES SYSTEMS PROGRAM

Includes	Excludes	Program in which exclusions are included
Guided missile systems. All guided missile parts and related equipment procured from guided missile prime contractors except items excluded. GFE electronics equipment for guided missiles. Ground handling and launching equipment peculiar to a specific model of guided missile target dummies. Special jigs, dies, and fixtures which can be used only in producing specific types of guided missiles, including inspection gages.	GFE aircraft jet engines used, without major modification, on guided missiles. Fuel. GFE electronic equipment. Guided bombs (razor, razor etc.)	A-1b A-9 or A-8 A-7 A-7

A-7 ELECTRONICS AND COMMUNICATION EQUIPMENT PROGRAM--Continued

Includes	Excludes	Program in which exclusions are included
Equipment which is ancillary to the preceding items such as antennas, connectors, dyna motors, headsets, microphones, radomes, servomechanisms, test equipment, wave guides, cooling heating and pressurizing equipment VT fuzes Guided bombs, such as Tarzon and Razon. Special jigs, dies, and fixtures which can be used only in producing specific types of electronics and communication equipment including inpection gages. Electronic fire control equipment such as MK36 MK63, T33 MK101, MK102 etc Sniperscope		
A-8 FUELS AND LUBRICANTS PROGRAM		
This program consists of three subprograms: (a) Petroleum Products; (b) Other Fuels and Lubricants; (c) Separately Procured Containers		
(a) PETROLEUM		
Includes	Excludes	Program in which exclusions are included
Residual fuel oils Lubricating oils Aviation gasolines Motor gasolines Kerosene Distillate fuels Insulating transformer oils Greases. Fog oil. Jet fuels Asphalt and road oils. Liquefied petroleum gas Solvents and naphthas. Containers when provided by the supplier in which petroleum products are delivered to the Government. Chemicals which are used directly in the production of petroleum and petroleum products as well as chemicals used in the processing of petroleum and petroleum products which will be consumed or converted into byproducts in the course of processing	Other fuels and lubricants Separately procured containers for petroleum handling equipment Petroleum handling equipment	A-8b A-8c A-8d
(b) OTHER FUELS AND LUBRICANTS		
Coal and coke Manufactured gas Natural gas Other nonpetroleum fuel and lubricants. Containers when provided by the suppliers in which other fuel and lubricant are delivered to the Government	Fuel for ATO ---	A-8
(c) SEPARATELY PROCURED CONTAINERS AND HANDLING EQUIPMENT		
Separately procured containers specifically intended for use with petroleum products noted in A-8a such as can, inflammable liquid, steel 5-gallon and drum inflammable liquid steel 16-gallon, 45-gallon. Drum cleaning machines, portable petroleum pumps, skid tanks and petroleum dispensing nozzles.	Fuel cells	A-1

A-5 WEAPONS PROGRAM

Includes	Excludes	Program in which exclusions are included
Small arms, automatic weapons, mortars, artillery, guns, rocket and grenade launchers, and pyrotechnic projectors, including those mounted on vehicles ships and aircraft Flame throwers Smoke generators (land) Torpedo tubes. Harbor protection nets Dive charge projector. Wholly optical, electrical or mechanical fire control equipment, including binoculars, bomb sights, electronic equipment stop watches and fire control projectors. Nonelectronic portions of electronic fire control equipment if separately procured and if procurement and requirement data are separately maintained. Special jigs, dies, and fixtures which can be used only in producing specific types of weapons, including inspection gages Depotting and degaussing equipment (Range Station)	Paravanes.... Shipborne deperting and degaussing equipment Rocket launchers readily identifiable for aircraft use and launching equipment peculiar to a specific model of guided missile. Electronic fire control equipment such as MK36 MK63 T33 MK101 MK102 etc	A-3 A-3 A-1 or A-2 A-7
A-6 AMMUNITION PROGRAM		
Includes	Excludes	Program in which exclusions are included
Ammunition, rockets, bombs, mines, grenades torpedoes, depth charges demolition material and pyrotechnics. ATO units (droppable units only) and fuel for ATO units. Rocket and guided missile fuel Machine gun links. Ammunition parts. Chemicals used in bombs, flame throwers smoke generators and ammunition Special jigs dies, and fixtures which are used in producing a specific type of ammunition, including inspection gages	Guided bombs, such as Tarzon and Razon Commercial type petroleum products VT Fuzes.... Booster cases for guided missiles. Nondroppable propulsion devices installed in aircraft Droppable aircraft tanks	A-7 A-8 A-7 A-2 A-1 A-10
A-7 ELECTRONICS AND COMMUNICATION EQUIPMENT PROGRAM		
Includes	Excludes	Program in which exclusions are included
Electromagnetic radiating and nonradiating equipment, except that radiating in the visible spectrum including: Radio equipment including uses for telegraph telephone, teletype, facsimile, television and IFF signals Radar equipment. Electronic and electro mechanical computers... Radiation aids to aircraft control and navigation including control of guided missiles. Radiation aids to fire control bombing, armament, related electromechanical types (not otherwise covered). Radiation countermeasures, including electronic deception and electronic jamming. Radar. Infrared. Microradiological. Sensory equipment. Magnetic amplifiers and detection equipment. Equipment used for transmission or reception of intelligence by radio, cable, or coaxial cable including recorders, telegraphs, telephones, teletypes, facsimile, television, radio, phone, public address, and telecommunication equipment which is used for the detection of noise and interference in the radio frequency spectrum. Radiation and reradiation equipment related to the preceding items.	X ray apparatus.... Nonelectrical communication equipment such as pigeons and flags. Blinker lights and flash lights Telephone poles Tool repair kits, pole climbing equipment Plows, earth augers, and other tools Photographic equipment. Nonelectronic meteorological equipment such as thermometers, barometers, etc Shelters carts, winches, rope, boards maps tables, stakes air conditioners, etc. Wholly optical, electrical or mechanical fire control equipment, including binoculars bomb sights other optical equipment stop watches and fire control mounts. Nonelectronic portions of electronic fire control equipment if separately procured and if procurement and requirements data are separately maintained.	C-9 and C-9 C-9 C-9 C-9 C-9 C-9 C-9 A-5 A-5

A-9 TEXTILES CLOTHING AND EQUIPAGE PROGRAM (TEXTILES)

Includes	Excludes	Program in which exclusions are included
All clothing and leather products. All bottles and textile products such as tents, paulins, bags, towels, bedding, canvas coats, rucks, etc. Tents, and accessories Athletic equipment Gas masks (including carrier) Items which are generally issued to the indi- vidual for his own use such as toilet articles on-entrenching tools, canteen and drinking utensils, ice, engineer, and other technical items Oxygen masks, parachutes, and drop kits Life belts and life jackets Dust respirators. Rubber or fabric life rafts Shoe lasts	Metal containers of more than 1 qt. capacity General housekeeping supplies, such as in- secticides, soap, toilet paper, candles, light bulbs, paint, etc. General housekeeping equipment such as cooking and heating equipment, refrigera- tion and air conditioning equipment, etc. Office, depot, and warehouse supplies and equipment. Fire extinguishers. Steel, 16-gal. 55 gallon. Separately procured containers specifically intended for use with petroleum and pe- troleum products such as can, inflammable liquid, steel 5-gallon and drum inflam- mable liquid	C 9 C-9 C-9 C 9 C-9 A-8a A-8a

B-1 MILITARY BUILDING SUPPLIES

Includes	Excludes	Program in which exclusions are included
Military type bridging (including pontoon bridges). Landing mats. Barbed wire and metal posts. Pipe, and storage tanks for pipeline projects de- signed especially for temporary war time use Prefabricated buildings designed for temporary use. Construction supplies to be used by military personnel including telephone poles, piling, railway track and ties, lumber, cement, bricks, hardware, millwork, etc. Heating, refrigerating, plumbing, and lighting fixtures and other electrical equipment to be incorporated as an integral part of structures erected by military personnel. Pontoon and pontoon propelling units. Insulated wire and cable, except communication wire	Construction machinery, such as tractors power shovels, etc. Hand tools. Portable heating, refrigerating, and ven- tilating equipment. Bridge erection boats	C-9 C-9 C-9c A-3

B 2

SUSTENANCE PROGRAM

Includes	Excludes	Program in which exclusions are included
All food and beverage products for human use, including essential type millets. Methods for care and preservation of sub- sistence supplies. Drugs, chemicals, and other containers and packag- ing materials required for the delivery of food and beverage products. Chemicals which are used directly in the produc- tion of food and food products as well as chemi- cals used in the processing of food and food products which will be consumed or converted into byproducts in the course of processing Forage for animals.	Water can, 5 gallon	C-9

B 3 TRANSPORTATION EQUIPMENT PROGRAM

Includes	Excludes	Program in which exclusions are included
Railway rolling stock and parts Railway cranes and parts, Railway tools, Railway signal equipment, Maintenance of way equipment	Railway, track ties, and accessories	C-2 and C-3

B 9 PRODUCTION EQUIPMENT

This program consists of two subprograms: (a) Production Equipment for Government Owned Facilities, and (b) Production Equipment for Privately Owned Facilities

(a) PRODUCTION EQUIPMENT FOR GOVERNMENT OWNED FACILITIES

Includes	Excludes	Program in which exclusions are included
Machine tools and other general purpose cutting, forming, shaping, grinding, turning, measur- ing, testing, heating or treating, produc- tion, finishing, and assembly facilities. Rehabilitation, modernization, costs and parts (but not routine maintenance) for above production equipment. Heavy duty materials handling equipment not incorporated as an in- tegral part of the industrial facility such as over- head traveling cranes, shipyard cranes, etc. Production equipment used for repair and maintenance if such equipment is not procured as a part of and mounted on floating equipment or vehicles. All Government owned production equipment for facilities whose ownership has not been de- termined will be included in this subprogram	Production equipment to be used in privately owned facilities. Materials handling equipment such as con- veyor systems, cranes, etc. in warehouses or other non-production facilities. Portable conveyors, truck lift trucks, indus- trial tractors and truck lift trucks, etc. Nonmechanical processing equipment and incorporated as an integral and perma- nent part of an industrial facility, such as processing vats, etc. Special jigs, dies, and fixtures which can be used only in producing a specific model of a military item Hand tools Heavy duty materials handling equipment incorporated as an integral part of the in- dustrial facility such as overhead traveling cranes, shipyard cranes, etc.	B 9b C-9 C-9 C-2 Applicable pro gram C 9

(b) PRODUCTION EQUIPMENT FOR PRIVATELY OWNED FACILITIES

Includes	Excludes	Program in which exclusions are included
Production equipment as defined in B 9a, to be used in privately-owned facilities, procured with Government funds by either the private Con- tractor or by the Government	Production equipment to be used in Gov- ernment-owned facilities or in facilities where ownership is not yet determined Other items specified in B 31	B 9a Applicable pro gram

C-2 DEPARTMENT OF DEFENSE CONSTRUCTION PROGRAM

This program consists of all construction, alteration, rehabilitation, or conversion of military industrial and non-
industrial installations, facilities, or portions thereof. It comprises all of the above facilities financed in whole or in
part from appropriated funds and Wherry Housing (financed from other than appropriated funds). All machinery
and equipment, except production equipment, movable to the facility and installed as a part of the construction
project for the facility will be included. This program consists of four subprograms: (a) Industrial Construction,
(b) Nonindustrial Construction, (c) Wherry Housing, (d) National Guard Facilities

(a) INDUSTRIAL CONSTRUCTION

Includes	Excludes	Program in which exclusions are included
Construction of new industrial facilities, and ex- isting industrial facilities, which are Government financed and will become Government owned, including both Government-operated and con- tractor-operated facilities. This subprogram includes those facilities utilized primarily for the manufacture of military equip- ment, supplies or materials, and includes building equipment such as elevators, fire pro- tection systems, electrical power systems, or other equipment integral to an industrial facility, and installation materials therefor	Production equipment installed in construc- tion projects Nonindustrial construction	B-9. C-2b

(b) MEDICAL AND DENTAL SUPPLIES AND EQUIPMENT

Includes	Excludes	Program in which exclusions are included
Medical and dental supplies and equipment such as drugs, chemicals, biologicals, surgical dressings, instruments, hospital and dental furniture and equipment X ray equipment and film etc	Ambulances Bedding----- Pajamas and robes Towels	A-4 A-9 A-9 A-9
(c) PHOTOGRAPHIC EQUIPMENT AND SUPPLIES		
Cameras Film Photographic projecting developing copying and related equipment	X-ray Cameras and film	C-9b
(d) MATERIALS HANDLING EQUIPMENT		
Conveyors Warehouse trucks, tractors, and trailers Fork lift trucks stackers etc	Conveyors and elevators installed as an integral part of building	O-2
(e) ALL OTHERS NOT IDENTIFIABLE TO ANY OTHER PROCUREMENT PROGRAM		

Housekeeping supplies such as insecticides toilet paper, candles, soap, etc. Heating, refrigerating, plumbing and lighting fixtures, other electrical equipment, furniture and cooking equipment, except equipment incorporated as an integral part of a building or structure. Office supplies and equipment. Nonelectronic meteorological equipment Animals. Mortuary and grave registration supplies and equipment Training and educational supplies and equipment not included in other programs. Laundry and dry cleaning equipment Mess equipment Water storage, distribution and purification equipment/field use. Field, combat, and troop equipment including water can (6 gal.), heaters (immersion and tent), field range cooking outfit (one burner) field stove	
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[Changes 13 and 14 APP 8 June and 20 June 1955] (R S 161; 5 U S O 22 Interpret or apply 62 Stat 21; 41 U S C 151-161)

[SEAL]

JOHN A. KLEIN,
Major General U S A The Adjutant General

[F R Doc 55-6080; Filed Aug 1 1955; 8:45 a m]

Chapter VII—Department of the Air Force

Subchapter F—Reserve Forces	INACTIVE DUTY TRAINING PAY AND ALLOWANCES
PART 861—OFFICERS' RESERVE	
INACTIVE DUTY TRAINING PAY AND ALLOWANCES	
861 1101 Purpose and policy.	861 1101 Purpose and policy.
861 1102 Definitions	861 1102 Definitions
861 1103 Methods of qualifying	861 1103 Methods of qualifying
861 1104 Mobilization assignees	861 1104 Mobilization assignees
861 1105 Air Reserve center groups and squadrons	861 1105 Air Reserve center groups and squadrons
861 1106 Table of organization and unit manning document of unit	861 1106 Table of organization and unit manning document of unit
861 1107 Maximum number of paid training periods or unit training assemblies	861 1107 Maximum number of paid training periods or unit training assemblies

In Part 861, §§ 861 1101 to 861.1115 are rescinded and the following substituted therefor:

(b) NONINDUSTRIAL CONSTRUCTION

Nonindustrial facilities are training, operational, housing, and support facilities or any other facilities necessary for the military forces excluding facilities utilized primarily for the manufacturing of military equipment, supplies, or materials. Nonindustrial construction will consist of construction of military nonindustrial facilities including construction of new facilities, expansion, major alterations, rehabilitation or conversion of existing facilities. In stalled equipment organic to the facility will be included

(c) PUBLIC WORKS CONSTRUCTION

Includes	Excludes	Program in which exclusions are included
Construction of military nonindustrial facilities financed from Public Works Appropriations (MCOA, PW-N and AOEPA-AF)	Industrial construction Wherry Housing National Guard facilities Construction equipment and machinery Nonindustrial construction financed from other than Public Works Appropriations Land and departmental overhead services	C-2a C-2c C-2d C-9 C-2b (2)

(2) NONINDUSTRIAL CONSTRUCTION OTHER THAN PUBLIC WORKS

Construction of military nonindustrial facilities financed from appropriations other than Public Works Appropriations	Wherry Housing National Guard facilities Construction equipment and machinery	C-2c C-2d C-9
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(c) WHERRY HOUSING

Military housing projects constructed under Title VIII of the National Housing Act	Utilities provided with appropriations for Public Works	O-2b (1)
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(d) NATIONAL GUARD FACILITIES

Air and Army National Guard facilities to be constructed partially or entirely from Federal funds	Facilities constructed entirely from State funds and for which the title will be vested in the State	
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C-3 DEPARTMENT OF DEFENSE MAINTENANCE REPAIR AND OPERATING SUPPLIES

This program includes all maintenance, repair, and operating supply items procured by the Department of Defense which at the time of purchase cannot be identified for use in other Department of Defense Olamant Programs

C-9 MISCELLANEOUS PROGRAM

This program consists of five subprograms: (a) Construction Equipment; (b) Medical and Dental Supplies and Equipment; (c) Photographic Equipment and Supplies; (d) Material Handling Equipment; (e) All Others not identifiable to any Other Procurement Program

(a) CONSTRUCTION EQUIPMENT

Includes	Excludes	Program in which exclusions are included
Power shovels, mobile cranes, bulldozers, concrete mixers, ditching machines, road and air field construction, and maintenance machinery earth moving trailers and similar construction equipment. Pneumatic drills, welding equipment, paint sprayers, air compressors and pumps of the type used for construction. Commercial construction type tractors Power saws. Earth augers and well drilling machines.	Dump trucks Engineering drafting and mapping instruments. Generator sets Photographic and reproduction equipment Water storage, distribution, and purification equipment for field use. Tractors of a type not usually used for construction, such as artillery prime movers Warehouse tractors, etc. Refrigeration and air conditioning equipment.	A-4 C-9c C-9c or other applicable program. C-9c C-9c A-4 C-9d C-9c.

Sec.	
861.1108	Week-end training.
861.1109	Flying pay.
861.1110	Personnel excluded for attendance computations.
861.1111	Authorized equivalent duties.
861.1112	Administrative function pay.
861.1113	Training without remuneration.
861.1114	Waiver of pension, retirement pay, disability compensation, and other emoluments.
861.1115	Rations in kind for airmen.
861.1116	Uniform maintenance allowance.

AUTHORITY: §§ 861.1101 to 861.1116 issued under sec. 251, 66 Stat. 495; 50 U. S. C. 1002. Interpret or apply secs. 101-259, 601-603, 66 Stat. 481-498, 501; 50 U. S. C. 901-1010, 1091-1093.

DERIVATION: AFR 45-10, June 29, 1955.

INACTIVE DUTY TRAINING PAY AND ALLOWANCES

§ 861.1101 *Purpose and policy*—(a) *Purpose.* Sections 861.1101 to 861.1116 establish the eligibility of Air Force Reserve personnel not on extended active duty to receive inactive duty training pay. This compensation is provided for by the Career Compensation Act of 1949 (63 Stat. 802; 37 U. S. C. 231-320) (63 Stat. 816; 37 U. S. C. 271-285) and act April 3, 1939 (53 Stat. 557; 10 U. S. C. 456).

(b) *Policy*—(1) *Assignment.* The following Reservists are eligible for inactive duty training pay, except selective assignees:

(i) Members of Air Reserve flying wings and units, Air Reserve support wings and units, and other units organized to serve as such during mobilization (Training Category A)

(ii) Members of numbered Air Reserve center groups and squadrons (Training Category B-1)

(iii) Mobilization assignees (Training Category C)

(2) *Uniform.* To be eligible for inactive duty training pay, Reservists will wear the uniform while participating in training for which pay is authorized.

(3) *Participation in more than one training period.* Participation in more than one training period or unit training assembly in any calendar day will not be authorized for pay purposes unless the duration of such participation is at least 8 hours. When participation is for at least 8 hours' duration not more than two training periods or unit training assemblies may be authorized in any one day.

(4) *Quarterly payment.* Eligible personnel will be paid on a quarterly basis to the extent provided for by appropriations for his purpose.

§ 861.1102 *Definitions*—(a) *Training period.* An authorized period of instruction performed by persons training as individuals. Normally, such training will be of 4 hours' duration, but may not be less than 2 hours in duration. This term includes authorized attendance at a scheduled class of instruction under the contract school training program.

(b) *Unit training assembly.* An authorized and scheduled period of instruction conducted by units organized to serve as units in the event of mobilization. Such unit training assemblies normally will be of 4 hours' duration,

but may not be less than 2 hours' duration.

(c) *Inactive duty training.* Duty performed by Air Force Reservists not on active duty, pursuant to their military functions and responsibilities. Such duty must be authorized by competent orders, or other formal directive.

(d) *Inactive duty training pay.* Payment under the Career Compensation Act of 1949 (63 Stat. 802; 37 U. S. C. 231-320) for duty performed by Air Force Reservists not on active duty. Inactive duty training includes participation in training periods and unit training assemblies or equivalent duties in lieu of attendance at a unit training assembly.

(e) *Equivalent duty.* Those periods of duty performed by Air Force Reservists in lieu of attendance at a unit training assembly as authorized in § 861.1111. The duration of such periods of duty must be equal to or in excess of the duration of the unit training assembly scheduled, and must be performed within the period of 7 consecutive days before or 8 consecutive days after the regularly scheduled unit training assembly.

(f) *Assigned strength.* The total of all personnel, officer and airmen, on the rolls of a unit.

(g) *Adjusted strength.* The strength of a unit (officers and airmen) after the personnel who are absent under competent authority as provided in § 861.1110 have been deducted from the assigned strength.

(h) *Selective assignees.* Individuals with Reserve obligations who, upon separation from extended active duty, are assigned to Training Category A units to provide the Reserve unit of assignment a higher mobilization potential.

§ 861.1103 *Methods of qualifying*—(a) *Airmen.* Airmen of the Air Force Reserve qualify for inactive duty training pay when pursuant to competent orders, or other formal directives, authorizing inactive duty training pay:

(1) They are present and perform duties during an authorized unit training assembly of the unit to be assigned, or

(2) They perform equivalent duties pursuant to competent orders.

(b) *Officers.* Officers of the Air Force Reserve qualify for inactive duty training pay when pursuant to competent orders, or other formal directives, authorizing inactive duty training pay:

(1) They are present and perform duties during an authorized unit training assembly of the unit to which assigned, and if assigned to a unit within Training Category A, at least 60 percent of the adjusted strength of the unit is present, or

(2) They perform equivalent duties provided that at least 60 percent of the adjusted strength of the unit (if a Training Category A unit) is present for the unit training assembly for which equivalent duty has been authorized.

(c) *Training Category C personnel.* Air Force Reservists who hold mobilization assignments qualify for inactive duty training pay when pursuant to competent orders or other formal directives authorizing inactive duty training

pay they are present and perform duties at an authorized training period.

§ 861.1104 *Mobilization assignees*—(a) *Reserve personnel authorizations.* Reserve personnel authorization documents for mobilization assignees will be issued to major air commands by Headquarters USAF.

(b) *Paid training periods authorized.* No more than 12 paid training periods in each fiscal year will be authorized mobilization assignees.

(c) *Payment.* Mobilization assignees with training attachments will be paid by the commands of assignment. Direct correspondence between the units of assignment and units which accomplish the training is authorized to maintain proper records and to substantiate pay and other administrative matters.

§ 861.1105 *Air Reserve center groups and squadrons*—(a) *Eligibility.* Reservists assigned to Air Reserve groups and squadrons in Training Category B-1 are eligible to receive inactive duty training pay.

(b) *Training assemblies authorized.* Such personnel will be authorized not more than 24 training periods for pay purposes in each fiscal year.

§ 861.1106 *Table of organization and unit manning document units*—(a) *Eligibility.* All personnel assigned to Training Category A units are eligible to receive inactive duty training pay, except selective assignees.

(b) *Number of training assemblies authorized.* Such personnel will be authorized not more than 48 unit training assemblies for pay purposes in each fiscal year.

(c) *Training flights and training teams.* Any tactical squadron of an Air Force Reserve flying wing or Air Reserve squadron (replacement training and navigator training) may be divided into training flights and train during separate periods to permit maximum utilization of available equipment and facilities. Any non-flying unit of an Air Force Reserve flying wing including detached elements, may be divided into training teams to permit portions of the units to train with each tactical squadron or flight. Such training flights and training teams will be considered as units to conduct unit training assemblies for pay purposes. They must also meet the minimum attendance requirements established in § 861.1103. The Air Reserve flying center charged with the training of the Air Force Reserve units concerned will issue appropriate orders organizing such flights and teams. Orders will specify the officers and airmen constituting a flight or team by name, AFSN, and the unit from which it has been developed.

§ 861.1107 *Maximum number of paid training periods or unit training assemblies*—(a) *Training Category A.* A maximum of six unit training assemblies may be authorized for pay purposes in any one calendar month for personnel assigned to program elements in Training Category A in which 48 paid drills each fiscal year are authorized.

(b) *Training Category B-1.* A maximum of five training periods may be authorized for pay purposes in any one academic month for personnel assigned to program elements in Training Category B-1 in which 24 paid drills each year are authorized. A maximum of 16 training periods or unit training assemblies may be authorized for pay purposes in either half of an academic year (September through January or February through June).

(c) *Training Category C.* A maximum of four training periods may be authorized for pay purposes in any one calendar month or quarter of a fiscal year for personnel assigned to program elements in Training Category C in which 12 paid drills each year are authorized.

§ 861.1108 *Weekend training.* The maximum use of weekend training is encouraged to better accommodate the Reservist and to permit greater continuity of training (see § 861.1101 (b) (3)).

§ 861.1109 *Flying pay.* (a) Additional pay for flying is authorized for rated personnel on flying status, qualifying for inactive duty training pay when they accomplish minimum flight requirements.

(b) Rated personnel who are assigned to Training Category A or C aircrew positions will not be considered to have participated in a training period or unit training assembly by virtue of flight training activities unless such training is authorized by the unit commander and accomplished with the organization to which assigned or with a similar type of organization.

(c) Rated personnel who are assigned to Training Categories A and C positions which do not require rated officers on flying status, and those assigned to Training Category C positions which do require rated officers on flying status, will not be considered to have participated in a training period or unit training assembly by virtue of flight training activities.

(d) Rated personnel who are assigned to Training Category A positions which require rated officers on flying status, will not be considered to have participated in a unit training assembly by virtue of flight training activities unless such training is authorized by the unit commander.

§ 861.1110 *Personnel excluded for attendance computations.* To compute the requirement of 60 percent of the adjusted strength of a unit being present at a unit training assembly, the following will be deducted from the assigned strength:

(a) Those persons absent pursuant to competent orders in connection with official duties as follows:

(1) Those on short, special, or school training tours of active duty.

(2) Those authorized equivalent duties (see § 861.1111).

(b) During the academic year or during periods of Air Force Reserve Officers' Training Corps encampments, those absent first- and second-year students who are enrolled and participating in Air Force Reserve Officers' Training Corps

activities except that not more than 10 percent of the assigned strength of the unit may be so excluded.

(c) Personnel assigned to the unit as selective assignees.

§ 861.1111 *Authorized equivalent duties.* Equivalent duty for pay purposes will be authorized only for those persons who do not attend the scheduled unit training assembly of the unit to which assigned for reasons considered by the unit commander to be sufficient (see § 861.1102 (e)). Reservists are not authorized to perform equivalent duties in place of unit training assemblies scheduled during periods when the persons concerned are on active duty for training. The following duties may be authorized as equivalent duties:

(a) Duty in connection with the planning, maintenance, training, administration, and supply of the Air Force Reserve provided that such duty is considered by the authorizing commander to be a requirement in the interest of the Reserve program. Satisfactory accomplishment thereof will be certified by the officer under whose jurisdiction such duty was performed.

(b) Participation, pursuant to competent orders, in approved maneuvers, exercises, or the inspection of another Reserve unit at the scheduled unit training assembly of the unit concerned.

(c) Performance of flight training by aircrew members only to maintain minimum flight proficiency requirements for rated personnel.

§ 861.1112 *Administrative function pay—(a) Amount.* In addition to other inactive duty training pay commanders of Air Force Reserve table of organization and unit manning document wings and units, and Air Reserve groups and squadrons assigned or attached to numbered Air Reserve centers, having administrative functions connected therewith, will receive pay on a quarterly basis within the limitation of appropriations, but not exceed the following amounts:

(1) For units having an assigned monthly strength of 100 or more officers and airmen, \$20 a month.

(2) For units having an assigned monthly strength of 50 to 99 officers and airmen, \$15 a month.

(3) For units having an assigned monthly strength of 25 to 49 officers and airmen, \$10 a month.

(4) For units having an assigned monthly strength of less than 25 officers and airmen, \$5 a month.

(b) *Strength of unit.* For the purposes referred to in paragraph (a) (1), (2) (3) and (4) of this section, the actual assigned strength of the unit of the last day of each month will apply.

(c) *Certification of performance.* Certification of the satisfactory performance of administrative functions will be made by the appropriate center commander or his representative on the inactive duty training payroll.

§ 861.1113 *Training without remuneration.* Sections 861.1101 to 861.1116 will not be interpreted to limit the amount of individual or unit training that may

be authorized or voluntarily conducted without pay or reimbursement of any kind.

§ 861.1114 *Waiver of pension, retirement pay, disability compensation, and other emoluments.* Under section 2, act of September 27, 1950 (64 Stat. 1087; 34 U. S. C. 853e-1), members of the Air Force Reserve who are entitled to draw pensions, retirement pay, disability allowance, disability compensation, or retired pay from the Government of the United States by virtue of prior military service, may waive such benefits when they elect to receive in lieu thereof, inactive duty training pay for attendance at scheduled training periods, unit training assemblies, courses of instruction, or other duty for which they may be entitled to receive compensation pursuant to law.

§ 861.1115 *Rations in kind for airmen.* Air Force Reserve airmen participating in inactive duty training are entitled to rations in kind or a portion thereof at Government expense while serving in an inactive duty training pay status and when instruction or duty period(s) total 8 or more hours in any 1 calendar day. The payment of a monetary allowance in lieu of rations in kind is not authorized.

§ 861.1116 *Uniform maintenance allowance.* Air Force Reserve officers participating in inactive duty training are entitled to a monetary uniform maintenance allowance after completing prescribed periods of active and inactive duty training.

[SEAL] ERNEST L. WALTERS,
Colonel, U. S. Air Force,
Acting Air Adjutant General.

[F. R. Doc. 55-6194; Filed, Aug. 1, 1955;
8:46 a. m.]

TITLE 50—WILDLIFE

Chapter I—Fish and Wildlife Service, Department of the Interior

Subchapter F—Alaska Commercial Fisheries

PART 117—SOUTHEASTERN ALASKA AREA, ICY STRAIT DISTRICT, SALMON FISHERIES

OPEN SEASONS

Basis and purpose. On the basis of extremely poor pink salmon showings in the Icy Strait district of Southeastern Alaska, it has been determined that that district must be closed.

Therefore, effective immediately upon publication in the FEDERAL REGISTER, § 117.3 is amended in paragraph (b) by changing "August 7" to "August 3."

Since immediate action is necessary, notice and public procedure on this amendment are impracticable (60 Stat. 237; 5 U. S. C. 1001 et seq.)

(Sec. 1, 43 Stat. 464, as amended; 48 U. S. C. 221)

JOHN L. FARLEY,
Director

AUGUST 1, 1955.

[F. R. Doc. 55-6260; Filed, Aug. 1, 1955;
11:22 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR (1954) Part 280]

DEALERS IN TOBACCO MATERIALS

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury. Prior to final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing, in duplicate, to the Director, Alcohol and Tobacco Tax Division, Internal Revenue Service, Washington 25, D. C., within the period of 15 days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U. S. C. 7805)

[SEAL] T. COLEMAN ANDREWS,
Commissioner of Internal Revenue.

Preamble. 1. These regulations, 26 CFR Part 280, "Dealers in Tobacco Materials," supersede 26 CFR (1939) Part 140, Subpart C, "Sale of Leaf Tobacco by a Farmer or Grower of Tobacco and by a Tobacco Growers' Cooperative Association," and Subpart D, "Dealers in Leaf Tobacco," and are promulgated in order to implement the Internal Revenue Code of 1954.

2. These regulations shall not affect any act done, or any liability or right accruing or accrued, or any suit or proceeding had or commenced, before the effective date of these regulations.

Subpart A—Scope of Regulations

- Sec.
280.1 Dealers in tobacco materials.
280.2 Forms prescribed.

Subpart B—Definitions

- 280.10 Meaning of terms.
280.11 Assistant regional commissioner.
280.12 Black Fat.
280.13 Clippings.
280.14 Commissioner.
280.15 Cuttings.
280.16 Dealer in tobacco materials.
280.17 Director, Alcohol and Tobacco Tax Division.
280.18 Establishment.
280.19 Inclusive language.
280.20 I. R. C.
280.21 Leaf tobacco.
280.22 Manufactured tobacco.
280.23 Manufacturer of tobacco.
280.24 Perique.
280.25 Person.
280.26 Region.
280.27 Regional commissioner.
280.28 Revenue officer.
280.29 Scraps.
280.30 Siftings.
280.31 Stems.
280.32 Tobacco in process.
280.33 Tobacco materials.
280.34 Tobacco products.

- Sec.
280.35 U. S. C.
280.36 Waste.

Subpart C—General

- 280.40 Authority of revenue officers to enter premises.
280.41 Interference with administration.
280.42 Disposal of forfeited, condemned, and abandoned tobacco materials.
280.43 Variations from requirements.
280.44 Penalties and forfeitures.

Subpart D—Persons Exempt as Dealers in Tobacco Materials

- 280.50 Warehouseman or fumigator.
280.51 Farmer or grower.
280.52 Farmer's or grower's agent.
280.53 Co-operative association.
280.54 Speculator.

Subpart E—Qualification Requirements

- 280.60 Persons required to qualify.
280.61 Application for permit.
280.62 Corporate documents.
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280.64 Trade name certificate.
280.65 Bond.
280.66 Power of attorney.
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Subpart F—Changes Subsequent to Original Qualification

CHANGES IN NAME

- 280.80 Change in individual name.
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280.82 Change in corporate name.

CHANGES IN OWNERSHIP AND CONTROL

- 280.83 Fiduciary successor.
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280.85 Change in officers or directors of a corporation.
280.86 Change in stockholders of a corporation.

CHANGES IN LOCATION

- 280.87 Change in location within same region.
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280.89 Addition or discontinuance of place of storage.

Subpart G—Bonds and Extensions of Coverage of Bonds

- 280.100 Corporate surety.
280.101 Deposit of bonds, notes, or obligations in lieu of corporate surety.
280.102 Amount of bond.
280.103 Strengthening bond.
280.104 Superceding bond.
280.105 Extension of coverage of bond.
280.106 Approval of bond and extension of coverage of bond.
280.107 Termination of liability of surety under bond.
280.108 Release of bonds, notes, and obligations.

Subpart H—Operations

- 280.120 Restrictions on handling, shipment, and delivery of tobacco materials.
280.121 Tobacco materials released from customs custody.
280.122 Fumigation of tobacco materials.
280.123 Exportation.
280.124 Samples of tobacco materials.
280.125 Destruction of tobacco materials.

- Sec.
280.126 Credit for loss of tobacco materials by theft or destruction.
280.127 Records.
280.128 Statement of shipments and deliveries.
280.129 Inventory.
280.130 Liability of dealer in tobacco materials.
280.131 Assessment of tax.
280.132 Claim for abatement of assessment.
280.133 Claim for refund of tax.

Subpart I—Suspension and Discontinuance of Operations

- 280.140 Discontinuance of operations.
280.141 Suspension and revocation of permit.

AUTHORITY: §§ 280.1 to 280.141 issued under 68A Stat. 917; 26 U. S. C. 7805. Other statutory provisions interpreted or applied are cited to text in parentheses.

SUBPART A—SCOPE OF REGULATIONS

§ 280.1 *Dealers in tobacco materials.* This part contains the regulations governing the sale, shipment, or delivery of tobacco materials by dealers in tobacco materials, and the qualification of, maintenance of records by, and operations of such dealers.

§ 280.2 *Forms prescribed.* The Director, Alcohol and Tobacco Tax Division, is authorized to prescribe all forms required by this part, including bonds, applications, and permits. Information called for thereon shall be furnished in accordance with the instructions on the forms or issued in respect thereto.

SUBPART B—DEFINITIONS

§ 280.10 *Meaning of terms.* The terms used in this part shall have the meanings ascribed in this subpart, unless the context otherwise indicates.

§ 280.11 *Assistant regional commissioner.* "Assistant regional commissioner" shall mean the Assistant Regional Commissioner, Alcohol and Tobacco Tax, who is responsible to and functions under the direction and supervision of the Regional Commissioner.

§ 280.12 *Black Fat.* "Black Fat" shall mean tobacco which is normally treated with oil under pressure and results in black tobacco, and shall include all tobacco similarly treated and referred to by such other terms as Black Horse, etc.

§ 280.13 *Clippings.* "Clippings" shall mean the tobacco which is clipped or cut off the ends of cigars in the manufacture thereof.

§ 280.14 *Commissioner.* "Commissioner" shall mean the Commissioner of Internal Revenue.

§ 280.15 *Cuttings.* "Cuttings" shall mean the tobacco remaining after the binders and wrappers for cigars are cut out of the leaf.

§ 280.16 *Dealer in tobacco materials.* "Dealer in tobacco materials" shall mean every person who handles tobacco materials for sale, shipment, or delivery solely

to another qualified dealer in such materials, to a qualified manufacturer of tobacco products, or to a foreign country, Puerto Rico, the Virgin Islands, or a possession of the United States. Dealer in tobacco materials shall include every person who produces Perique or Black Fat for sale, shipment, or delivery, in accordance with this part. Dealer in tobacco materials shall not include (a) an operator of a warehouse who stores tobacco materials solely for a dealer in tobacco materials, for a manufacturer of tobacco products, for a farmer or grower of tobacco, or for a bona fide association of farmers or growers of tobacco; or (b) a farmer or grower of tobacco who sells leaf tobacco of his own growth or raising, or a bona fide association of farmers or growers of tobacco which sells only leaf tobacco grown by farmer or grower members, if the tobacco so sold is in the condition as cured on the farm.

§ 280.17 *Director Alcohol and Tobacco Tax Division.* "Director, Alcohol and Tobacco Tax Division," shall mean the Director, Alcohol and Tobacco Tax Division, Internal Revenue Service, Treasury Department, Washington, D. C.

§ 280.18 *Establishment.* "Establishment" shall mean the premises of a dealer in tobacco materials in which he carries on such business.

§ 280.19 *Inclusive language.* Words in the plural form shall include the singular, and vice versa, and words in the masculine gender shall include the feminine, partnerships, associations, companies, corporations, estates, and trusts.

§ 280.20 *I. R. C.* "I. R. C." shall mean the Internal Revenue Code of 1954.

§ 280.21 *Leaf tobacco.* "Leaf tobacco" shall mean—

(a) Unstemmed—tobacco from which the stem or mid-rib has not been removed, and

(b) Stemmed—tobacco from which the stem or mid-rib has been removed, also known as "strips."

§ 280.22 *Manufactured tobacco.* "Manufactured tobacco" shall mean all tobacco other than cigars and cigarettes, prepared, processed, manipulated, or packaged for consumption by smoking or for use in the mouth or nose. Any other tobacco not exempt from tax under Chapter 52, I. R. C., which is sold or delivered to any person contrary to such chapter and regulations thereunder, shall be regarded as manufactured tobacco.

§ 280.23 *Manufacturer of tobacco.* "Manufacturer of tobacco" shall mean every person who manufactures tobacco by any method of preparing, processing, or manipulating, except for his own personal consumption or use; or who packages any tobacco for consumption by smoking or for use in the mouth or nose; or who sells or delivers any tobacco, not exempt from tax under Chapter 52, I. R. C., to any person, contrary to the provisions of such chapter and regulations thereunder. The term "manufacturer of tobacco" shall not include—(a) a farmer or grower of tobacco who sells leaf tobacco of his own growth or raising,

or a bona fide association of farmers or growers of tobacco which sells only leaf tobacco grown by farmer or grower members, if the tobacco so sold is in the condition as cured on the farm; or (b) a dealer in tobacco materials who handles tobacco solely for sale, shipment, or delivery, in bulk, to another dealer in such materials or to a manufacturer of tobacco products, or to a foreign country, Puerto Rico, the Virgin Islands, or a possession of the United States.

§ 280.24 *Perique.* "Perique" shall mean tobacco, such as that produced in Louisiana, cured in its own juices and given other treatment peculiar to this type of tobacco.

§ 280.25 *Person.* "Person" shall mean and include an individual, partnership, association, company, corporation, estate, or trust.

§ 280.26 *Region.* "Region" shall mean the area, designated by the Secretary or his delegate, comprising the geographical jurisdiction of a regional commissioner of internal revenue.

§ 280.27 *Regional commissioner.* "Regional commissioner" shall mean the Regional Commissioner of Internal Revenue of an internal revenue region.

§ 280.28 *Revenue Officer.* "Revenue officer" shall mean any officer or employee of the United States acting in connection with any internal revenue law of the United States.

§ 280.29 *Scraps.* "Scraps" shall mean portions of leaf tobacco.

§ 280.30 *Siftings.* "Siftings" shall mean the particles of tobacco salvaged in the process of sifting or screening the residue of tobacco.

§ 280.31 *Stems.* "Stems" shall mean the stems or mid-ribs of tobacco.

§ 280.32 *Tobacco in process.* "Tobacco in process" shall mean tobacco which has been, or is being, manipulated or processed, but is to undergo further manipulation, processing, or handling, prior to removal for consumption by smoking or for use in the mouth or nose.

§ 280.33 *Tobacco materials.* "Tobacco materials" shall mean tobacco in process, Perique, Black Fat, leaf tobacco, and tobacco scraps, cuttings, clippings, siftings, dust, stems, and waste.

§ 280.34 *Tobacco products.* "Tobacco products" shall mean manufactured tobacco, cigars, and cigarettes.

§ 280.35 *U. S. C.* "U. S. C." shall mean the United States Code.

§ 280.36 *Waste.* "Waste" shall mean tobacco, including dust, and foreign substances resulting from the handling, manipulation, or processing of tobacco, and which are worthless for use in the manufacture of tobacco products and have no market value for that purpose.

SUBPART C—GENERAL

§ 280.40 *Authority of revenue officers to enter premises.* The dealer shall permit any internal revenue officer to enter the premises where the dealer keeps tobacco materials for the purpose of ex-

amining such materials, and the records maintained by the dealer.

§ 280.41 *Interference with administration.* Whoever, corruptly or by force or threats of force, endeavors to hinder or obstruct the administration of this part, or endeavors to intimidate or impede any revenue officer acting in his official capacity, or forcibly rescues or attempts to rescue or causes to be rescued any property, after it has been duly seized for forfeiture to the United States in connection with a violation or intended violation of this part, shall be liable to the penalties prescribed by law. (68A Stat. 855; 26 U. S. C. 7212)

§ 280.42 *Disposal of forfeited, condemned, and abandoned tobacco materials.* When in the opinion of any officer having custody of forfeited, condemned, or abandoned tobacco materials, upon which the Federal tax has not been paid, the sale thereof will not bring a price equal to such tax due and payable thereon, and the expenses incident to the sale thereof, he shall not sell, nor cause to be sold, such materials for consumption in the United States. Where the materials are not sold, the officer may deliver them to a Federal or State hospital or institution (if they are fit for human consumption) or cause their destruction in the manner provided in § 280.125. Where such materials are sold, they shall not be released by the officer having custody thereof until they are properly packaged and internal revenue stamps (the cost of which stamps shall be considered as a portion of the sales price) are affixed to each package to denote the payment of tax. In the case of such materials held by or for the Federal Government, the sale thereof shall be subject to the applicable provisions of the Regulations of the General Services Administration, Title 1, Personal Property Management. (68A Stat. 716, 831; 26 U. S. C. 5753, 6807)

§ 280.43 *Variations from requirements—(a) Methods of operation.* The Director, Alcohol and Tobacco Tax Division, may in case of emergency approve methods of operation other than those provided for by this part, where it is shown that variations from the requirements are necessary, will not hinder the effective administration of this part, will not jeopardize the revenue, and where such variations are not contrary to any provision of law. Where it is proposed to employ methods of operation other than those provided for by this part, prior approval shall be obtained in accordance with the provisions of paragraph (b) of this section.

(b) *Application.* A dealer in tobacco materials who proposes to employ methods of operation, other than as provided in this part, shall submit an application so to do, in triplicate, to the assistant regional commissioner. Such application shall describe the proposed variations and state the necessity therefor. The assistant regional commissioner shall make such inquiry as is necessary to ascertain the necessity for the variations and whether approval thereof will hinder the effective administration

of this part or result in jeopardy to the revenue. On completion of the inquiry, the assistant regional commissioner will forward two copies of the application to the Director, Alcohol and Tobacco Tax Division, together with a report of his findings and his recommendation.

§ 280.44 Penalties and forfeitures. Anyone who fails to comply with the provisions of this part becomes liable to the civil and criminal penalties, and forfeitures, provided by law.

(68A Stat. 717, 718; 26 U. S. C. 5761, 5762, 5763)

SUBPART D—PERSONS EXEMPT AS DEALERS IN TOBACCO MATERIALS

§ 280.50 Warehouseman or fumigator. A person who merely stores or fumigates tobacco materials solely for a dealer in tobacco materials, for a manufacturer of tobacco products, for a farmer or grower of tobacco, or for a bona fide association of farmers or growers of tobacco, shall be exempt from the provisions of this part.

(68A Stat. 706; 26 U. S. C. 5702)

§ 280.51 Farmer or grower. A farmer or grower of tobacco who sells leaf tobacco of his own growth or raising, and in the condition as cured on the farm, shall be exempt from the provisions of this part with respect to such tobacco. The farmer or grower may sell such leaf tobacco to any person and in any quantity, either loose or in a hogshead, case, bale, or other container. Where a farmer acquires any of the crop of tobacco grown on his farm by another person, in payment of rent or as his share of the crop, such tobacco, for purposes of this part, shall be regarded as having been grown by the farmer.

(68A Stat. 706; 26 U. S. C. 5702)

§ 280.52 Farmer's or grower's agent. A farmer or grower of tobacco, or a group or association of farmers or growers of tobacco, may employ an agent to sell his or their leaf tobacco for him or them. With respect to the sale of such tobacco, the agent may sell the tobacco in the same manner as the farmer or grower thereof provided he—

(a) Does not, in the storage of the tobacco, mingle the tobacco received from one farmer or grower with that of another;

(b) Conducts all sales in the name of his principal or principals;

(c) Transmits to his principal or principals the proceeds of such sales, less the necessary selling expenses and the agent's salary or commission; and

(d) Keeps records of all receipts and sales of tobacco, to be open to inspection by revenue officers, showing—

(1) With respect to tobacco received, the date thereof, the quantity received, and the name and address of the principal or principals, and

(2) With respect to tobacco sold, the date thereof, the quantity sold, the name and address of the purchaser, and the selling price.

The agent may sell by mail, and checks, drafts, and money orders in payment for tobacco sold by him may be made payable to his order.

(68A Stat. 706; 26 U. S. C. 5702)

§ 280.53 Co-operative association. A co-operative association comprised of farmers or growers of tobacco, marketing their leaf tobacco in the condition as cured on the farm, and turning back to them the proceeds of sales, less the necessary selling expenses, on the basis of the quality and quantity of leaf tobacco furnished by them, shall, with respect to such tobacco, be exempt from the provisions of this part, except as to the requirement to keep records. Proof that an association is entitled to such exemption, in the form of certified copies of the by-laws, agreements, and contracts, under which it shall operate, shall be furnished to the assistant regional commissioner upon demand. The association may sell such leaf tobacco to any person and in any quantity, either loose or in a hogshead, case, bale, or other container. Such association shall keep records of all receipts and sales of tobacco, which shall be made available for inspection by any revenue officer upon his request.

(68A Stat. 706; 26 U. S. C. 5702)

§ 280.54 Speculator. A person who buys leaf tobacco on the floor of an auction warehouse, or who buys leaf tobacco from a farmer or grower and places the tobacco on the floor of such a warehouse, and has the tobacco resold on the floor of the same warehouse, or who purchases warehouse receipts for tobacco materials and thus acquires title thereto, but sells such warehouse receipts and passes title to the tobacco, without taking physical possession of the tobacco, shall be exempt from the provisions of this part.

SUBPART E—QUALIFICATION REQUIREMENTS

§ 280.60 Persons required to qualify. Every person who intends to engage in the business of a dealer in tobacco materials, as defined in this part, shall qualify as such in accordance with the provisions of this part. Such qualification is required with respect to each establishment where the dealer will conduct such business: *Provided, however,* That where such a person operates or controls a group of warehouses solely for the storage of his tobacco materials, in any location in the United States, a single qualification covering all such storage places is sufficient if a consolidated record covering all tobacco materials received into and shipped or delivered from each such storage place is maintained at the establishment of the dealer in tobacco materials having direction and control thereof.

(68A Stat. 706; 26 U. S. C. 5702)

§ 280.61 Application for permit—(a) Persons entering business. Every person, before commencing business as a dealer in tobacco materials, shall make application, on Form 2093, to the assistant regional commissioner for, and obtain, the permit provided for in § 280.69. The application shall fully set forth the location of the establishment where he intends to carry on such business and of each outside place where his tobacco materials will be stored, if such outside place of storage is not separately qualified as the establishment of a dealer in tobacco materials. Separate applica-

tion for permit shall be required with respect to each establishment for which qualification is required under § 280.60. All documents required under this part to be furnished with such application shall be made a part thereof.

(b) *Dealers operating on effective date.* Dealers in tobacco materials, as defined in this part, who are operating either as dealers in leaf tobacco or quasi manufacturers of tobacco on the effective date of this part, shall also make application for permit in the manner required by paragraph (a) of this section within 30 days after such date. Such persons may continue their operations pending final action by the assistant regional commissioner with respect to such application.

(68A Stat. 711; 26 U. S. C. 5712)

§ 280.62 Corporate documents. Every corporation, before commencing business as a dealer in tobacco materials, shall furnish with its application for permit required by § 280.61, a true copy of the corporate charter or a certificate of corporate existence or incorporation, executed by the appropriate officer of the State in which incorporated. The corporation shall also furnish, in duplicate, evidence which will establish the authority of the officer or other person who executes the application for permit to execute the same; the authority of persons to sign other documents, required by this part, for the corporation; and the identity of the officers and directors, and each person who holds more than ten percent of the stock of such corporation. Where a corporation has previously filed such documents or evidence with the same assistant regional commissioner, a written statement by the corporation, in duplicate, to that effect will be sufficient for the purpose of this section.

(68A Stat. 711; 26 U. S. C. 5712)

§ 280.63 Articles of partnership or association. Every partnership or association, before commencing business as a dealer in tobacco materials, shall furnish with its application for permit, required by § 280.61, a true copy of the articles of partnership or association, if any, or certificate of partnership or association where required to be filed by any State, county, or municipality. Where a partnership or association has previously filed such documents with the same assistant regional commissioner, a written statement by the partnership or association, in duplicate, to that effect will be sufficient for the purpose of this section.

(68A Stat. 711; 26 U. S. C. 5712)

§ 280.64 Trade name certificate. Every person, before commencing business under a trade name as a dealer in tobacco materials, shall furnish with his application for permit, required by § 280.61, true copies, in duplicate, of the certificate or other document, if any, issued by a State, county, or municipal authority in connection with the transaction of business under such trade name. If no such certificate or other document is so issued, a written statement by such person, in duplicate, to

that effect will be sufficient for the purpose of this section.

(68A Stat. 711; 26 U. S. C. 5712)

§ 280.65 *Bond.* Every person, before commencing business as a dealer in tobacco materials, shall, with respect to each establishment (including places of storage operated thereunder) where he intends to carry on such business, file, in connection with his application for permit, a bond, Form 2101, in accordance with the applicable provisions of Subpart G of this part, conditioned upon compliance with the provisions of Chapter 52, I. R. C., and regulations thereunder, including, but not limited to, the timely payment of taxes imposed by such chapter and penalties and interest in connection therewith for which he may become liable to the United States.

(68A Stat. 711; 26 U. S. C. 5711)

§ 280.66 *Power of attorney.* If the application for permit or other qualifying documents are signed by an attorney in fact for an individual, partnership, association, company, or corporation, or by one of the partners for a partnership, or by an officer of an association or company, or in the case of a corporation, by an officer or other person not authorized to sign by the corporate documents described in § 280.62, power of attorney conferring authority upon the person signing the documents shall be manifested on Form 1534 and furnished to the assistant regional commissioner.

§ 280.67 *Additional information.* The assistant regional commissioner may require such additional information as he may deem necessary in connection with the qualification of persons under this subpart.

§ 280.68 *Investigation of applicant.* The assistant regional commissioner shall promptly cause such inquiry or investigation to be made, as he deems necessary, to verify the information furnished in connection with an application for permit and to ascertain whether the applicant is, by reason of his business experience, financial standing, and trade connections, likely to maintain operations in compliance with Chapter 52, I. R. C., and regulations thereunder; whether such person has disclosed all material information required or made any material false statement in the application for such permit; and whether the premises of the establishment on which it is proposed to operate as a dealer in tobacco materials are adequate to protect the revenue. If the assistant regional commissioner has reason to believe that the applicant is not entitled to a permit, he shall promptly give the applicant notice of the contemplated disapproval of his application and opportunity for hearing thereon in accordance with 26 CFR (1939) Part 200, "Rules of Practice in Permit Proceedings," which part (including the provisions relating to the recommended decision and to appeals) is made applicable to such proceedings. If, after such notice and opportunity for hearing, the assistant regional commissioner finds that the applicant is not entitled to a

permit, he shall, by order stating the findings on which his decision is based, deny the permit.

(68A Stat. 711; 26 U. S. C. 5712)

§ 280.69 *Issuance of permit.* If the application for permit, bond, and supporting documents, required under this part, are approved by him, the assistant regional commissioner shall issue a permit, Form 2096, to the dealer in tobacco materials who shall keep it posted conspicuously at all times within his establishment. The permit shall bear a number, shall fully set forth where the business of the dealer is to be conducted, and shall indicate whether the dealer also operates outside places of storage. The assistant regional commissioner shall issue an additional permit of the same number, which shall be posted at each such outside place of storage as shown in the application, to cover only the place of storage where it will be posted.

(68A Stat. 712; 26 U. S. C. 5713)

SUBPART F—CHANGES SUBSEQUENT TO ORIGINAL QUALIFICATION

CHANGES IN NAME

§ 280.80 *Change in individual name.* Where there is merely a change in the name of an individual operating as a dealer in tobacco materials, he shall, within 30 days of such change, make application, on Form 2098, for an amended permit, which shall be supported by an extension of coverage of his bond, in accordance with the provisions of § 280.105.

(68A Stat. 711; 26 U. S. C. 5711, 5712)

§ 280.81 *Change in trade name.* Where there is merely a change in the trade name of a dealer in tobacco materials, he shall, within 30 days of the adoption of the new trade name, make application, on Form 2098, for an amended permit, which shall be supported by an extension of coverage of bond, in accordance with the provisions of § 280.105. The dealer shall also furnish true copies, in duplicate, of any new trade name certificate or document issued to him, or statement in lieu thereof, required by § 280.64.

(68A Stat. 711; 26 U. S. C. 5711, 5712)

§ 280.82 *Change in corporate name.* Where there is merely a change in the name of a corporate dealer in tobacco materials, the dealer shall, within 30 days of such change, make application, on Form 2098, for an amended permit, which shall be supported by an extension of the coverage of bond, in accordance with the provisions of § 280.105. The dealer shall also furnish such documents as may be reasonably necessary to establish that the corporate name has been changed.

(68A Stat. 711; 26 U. S. C. 5711, 5712)

CHANGES IN OWNERSHIP AND CONTROL

§ 280.83 *Fiduciary successor.* If an administrator, executor, receiver, trustee, assignee, or other fiduciary, is to take over the business of a dealer in tobacco materials, as a continuing operation,

such fiduciary shall, before commencing operations, make application for permit and file bond as required by Subpart E of this part, and furnish certified copies, in duplicate, of the order of the court, or other pertinent documents, showing his appointment and qualification as such fiduciary. However, where a fiduciary intends merely to liquidate the business, qualification as a dealer in tobacco materials will not be required if he promptly files with the assistant regional commissioner a statement to that effect, together with an extension of coverage of the predecessor's bond, executed by the fiduciary, also by the surety on such bond, in accordance with the provisions of § 280.105.

(68A Stat. 711; 26 U. S. C. 5711, 5712)

§ 280.84 *Transfer of ownership.* If a transfer is to be made in ownership of a dealer in tobacco materials establishment (including a change in the identity of the members of a partnership or association) such dealer shall give notice, in writing, to the assistant regional commissioner, naming the proposed successor and the desired effective date of such transfer. The proposed successor shall, before commencing operations, qualify as a dealer in tobacco materials, in accordance with the applicable provisions of Subpart E of this part. The dealer shall give such notice of transfer, and the proposed successor shall make application for permit and file bond, as required, in ample time for examination and approval thereof before the desired date of such change. Upon qualification of the successor, the predecessor shall surrender his permit to the assistant regional commissioner.

(68A Stat. 711, 712; 26 U. S. C. 5711, 5712, 5713)

§ 280.85 *Change in officers or directors of a corporation.* Where there is any change in the officers or directors of a corporation operating as a dealer in tobacco materials establishment, the dealer shall furnish to the assistant regional commissioner notice, in writing, of the election of the new officers or directors within 30 days after such election.

(68A Stat. 711; 26 U. S. C. 5712)

§ 280.86 *Change in stockholders of a corporation.* Where the issuance, sale, or transfer of the capital stock of a corporation, operating as a dealer in tobacco materials, results in a change in the identity of the principal stockholders exercising actual or legal control of the operations of the corporation, the corporate dealer shall, within 30 days after the change occurs, make application for a new permit; otherwise, the present permit shall be automatically terminated at the expiration of such 30 day period, and the dealer shall dispose of all tobacco materials on hand and surrender his permit to the assistant regional commissioner. If the application for a new permit is timely made, the present permit shall continue in effect pending final action by the assistant regional commissioner with respect to such application.

(68A Stat. 711, 712; 26 U. S. C. 5712, 5713)

CHANGES IN LOCATION

§ 280.87 *Change in location within same region*—(a) *Transfer to a new location*. Whenever a dealer in tobacco materials contemplates changing the location of his establishment within the same region, the dealer shall, before commencing operations at the new location, make application, on Form 2098, for an amended permit. The application shall be supported by an extension of coverage of the bond filed under this part, in accordance with the provisions of § 280.105.

(b) *Mere change in address*. Whenever any change occurs in the address, but not the location, of the establishment of a dealer in tobacco materials, as a result of action of local authorities, the dealer shall, within 30 days of such change, make application, on Form 2098, for an amended permit, which shall be supported by an extension of coverage of the bond filed under this part, in accordance with the provisions of § 280.105. (68A Stat. 711; 26 U. S. C. 5711, 5712)

§ 280.88 *Change in location to another region*. Whenever a dealer in tobacco materials contemplates changing the location of his establishment to another region, the dealer shall, before commencing operations at the new location, qualify as such a dealer in the new region, in accordance with the applicable provisions of Subpart E of this part. The dealer shall notify the assistant regional commissioner of the region from which he is removing of his qualification in the new region, giving the address of the new location of his dealer's establishment and the number of the permit issued to him in the new region, and surrender the permit for his old location.

(68A Stat. 711, 712; 26 U. S. C. 5711, 5712, 5713).

§ 280.89 *Addition or discontinuance of place of storage*. Whenever a dealer in tobacco materials adds a place of storage for his tobacco materials, he shall make application, on Form 2098, to the assistant regional commissioner who issued his permit, for an additional permit, Form 2096, which shall bear the same number as the permit for his establishment, and shall cover only the location of such additional place of storage where it shall be posted. The application shall be supported by an extension of coverage of his bond, in accordance with § 280.105: *Provided*, That in an emergency, the assistant regional commissioner may, where in his opinion such action is warranted and the revenue will not be jeopardized, authorize the temporary use of a place for the temporary storage of tobacco materials without making the application or furnishing the extension of coverage required under this section. Whenever a dealer discontinues a place of storage, he shall so notify the assistant regional commissioner and surrender to him the permit for such place of storage.

(68A Stat. 711; 26 U. S. C. 5711, 5712)

No. 149—4

SUBPART G—BONDS AND EXTENSIONS OF COVERAGE OF BONDS

§ 280.100 *Corporate surety*. Surety bonds, required under the provisions of this part, may be given, only with corporate sureties holding certificates of authority from the Secretary of the Treasury as acceptable sureties on Federal bonds. Power of attorney and other evidence of appointment of agents and officers to execute bonds on behalf of such corporate sureties shall be filed with, and passed upon by, the Surety Bonds Branch, Division of Deposits and Investments, Bureau of Accounts, Treasury Department. Limitations concerning corporate sureties are prescribed by the Secretary in Treasury Department Form 356, revised. The surety shall have no interest whatever in the business covered by the bond.

(68A Stat. 711, 61 Stat. 646; 26 U. S. C. 5711, 6 U. S. C. 6)

§ 280.101 *Deposit of bonds, notes, or obligations in lieu of corporate surety*. Bonds or notes of the United States, or other obligations which are unconditionally guaranteed as to both interest and principal by the United States, may be pledged and deposited by a dealer in tobacco materials as security in connection with bond to cover his operations, in lieu of the corporate surety, in accordance with the provisions of Treasury Department Circular No. 154, revised (31 CFR Part 225). Such bonds or notes which are nontransferable, or the pledging of which will not be recognized by the Treasury Department, are not acceptable as security in lieu of corporate surety.

(68A Stat. 711, 61 Stat. 646; 26 U. S. C. 5711, 6 U. S. C. 15)

§ 280.102 *Amount of bond*. The amount of the bond required by § 280.05 shall be based on the average quantity of tobacco materials to be received per month, and shall be determined at the rate of \$1,000 for each approximate 100,000 pounds of such materials. The amount of any such bond (or the total amount where original and strengthening bonds are filed) shall not exceed \$20,000 nor be less than \$1,000.

(68A Stat. 711, 26 U. S. C. 5711)

§ 280.103 *Strengthening bond*. Where the assistant regional commissioner determines that the amount of the bond, under which a dealer in tobacco materials is currently carrying on such business, no longer adequately protects the revenue, the assistant regional commissioner may require the dealer to file a strengthening bond in an appropriate amount with the same surety as that on the bond already in effect, in lieu of a superseding bond to cover the full liability on the basis of § 280.102. The assistant regional commissioner shall refuse to approve any strengthening bond where any notation is made thereon which is intended or which may be construed as a release of any former bond, or as limiting the amount of either bond to less than its full amount. Such strengthening bonds shall have placed thereon, by the obligors at the time of

execution, the notation "Strengthening Bond."

(68A Stat. 711; 26 U. S. C. 5711)

§ 280.104 *Superseding bond*. A dealer in tobacco materials shall file a new bond to supersede his current bond, immediately when (a) the corporate surety on the current bond becomes insolvent, (b) the assistant regional commissioner approves a request from the surety on the current bond to terminate his liability under the bond, (c) payment of any liability under a bond is made by the surety thereon, or (d) the assistant regional commissioner considers such a superseding bond necessary for the protection of the revenue.

(68A Stat. 711; 26 U. S. C. 5711)

§ 280.105 *Extension of coverage of bond*. An extension of the coverage of any bond filed under this part shall be manifested on Form 2105 by the dealer in tobacco materials and by the surety on the bond with the same formality and proof of authority as required for the execution of the bond.

(68A Stat. 711; 26 U. S. C. 5711)

§ 280.106 *Approval of bond and extension of coverage of bond*. No person shall commence operations under any bond, nor extend his operations, until he receives from the assistant regional commissioner notice of his approval of the bond or of an appropriate extension of coverage of the bond required under this part.

(68A Stat. 711; 26 U. S. C. 5711)

§ 280.107 *Termination of liability of surety under bond*. The liability of a surety on any bond required by this part shall be terminated only as to operations on and after the date of approval of a superseding bond, or the date of approval of the discontinuance of operations by the dealer in tobacco materials, or otherwise in accordance with the termination provisions of the bond. The surety shall remain bound in respect of any liability for unpaid taxes, penalties, and interest, not in excess of the amount of the bond, incurred by the dealer while the bond is in force.

(68A Stat. 711; 26 U. S. C. 5711)

§ 280.108 *Release of bonds, notes, and obligations*. Bonds, notes, and other obligations of the United States, pledged and deposited as security in connection with bonds required by this part, shall be released only in accordance with the provisions of Treasury Department Circular No. 154, revised (31 CFR Part 225). When the assistant regional commissioner who has accepted such security is satisfied that it is no longer necessary to hold such security, he shall fix the date or dates on which a part or all of such security may be released. At any time prior to the release of such security, the assistant regional commissioner may, for proper cause, extend the date of release of such security for such additional length of time as in his judgment may be appropriate.

(68A Stat. 711, 61 Stat. 646; 26 U. S. C. 5711, 6 U. S. C. 15)

SUBPART H—OPERATIONS

§ 280.120 *Restrictions on handling, shipment, and delivery of tobacco materials.* A dealer in tobacco materials may handle such materials in any manner, provided he does not package them for consumption by smoking or for use in the mouth or nose. He may ship or deliver tobacco materials, under his bond, only to (a) another qualified dealer in tobacco materials; (b) a qualified manufacturer of tobacco products; (c) a State institution; (d) a foreign country, Puerto Rico, the Virgin Islands, or a possession of the United States; or (e) any person for experimental or display purposes when authorized by the assistant regional commissioner. A dealer in tobacco materials may similarly ship or deliver stems and waste to any person for use by him as fertilizer or insecticide or in the production of fertilizer, insecticide, or nicotine.

(68A Stat. 708, 714; 26 U. S. C. 5704, 5731)

§ 280.121 *Tobacco materials released from customs custody.* Tobacco materials imported into the United States from a foreign country, or brought in from Puerto Rico, the Virgin Islands, or a possession of the United States, may be released from customs custody, without the payment of tax, to a qualified dealer in tobacco materials under his bond, solely for receipt into premises covered by the dealer's bond. Before such tobacco materials are released to him, the dealer shall furnish to the collector of customs having custody of the tobacco materials, evidence that he operates as a qualified dealer in tobacco materials. The dealer shall also prepare a notice of release of tobacco materials, Form 2146. All copies of the applicable form shall be presented to the collector of customs who, after stamping the date of release of the tobacco materials described thereon, shall return one copy to the dealer, retain one copy for his records, and transmit one copy to the assistant regional commissioner shown thereon. The copy returned to the dealer shall be retained by him for two years after the close of the year of such release, and shall be made available for inspection by any revenue officer upon his request.

(68A Stat. 708; 26 U. S. C. 5704)

§ 280.122 *Fumigation of tobacco materials.* Tobacco materials held by, or released or in transit to, a dealer in tobacco materials may be delivered to a person, who is not qualified as a dealer in tobacco materials or manufacturer of tobacco products, solely for purposes of fumigation by such person and return or delivery to the dealer. Such tobacco materials shall be covered by the bond of the dealer and shall not be regarded as shipped by the dealer for purposes of § 280.127.

§ 280.123 *Exportation.* A dealer in tobacco materials may ship or deliver tobacco materials, under his bond, without payment of tax, to a foreign country, Puerto Rico, the Virgin Islands, or a possession of the United States, in accord-

ance with the applicable provisions of Part 290 of this chapter.

(68A Stat. 708; 26 U. S. C. 5704)

§ 280.124 *Samples of tobacco materials.* Samples of tobacco materials, received by a dealer in tobacco materials, which are to be consumed, used, or destroyed for purposes of sampling, testing, or experimenting, shall be exempt from the provisions of § 280.127.

(68A Stat. 715; 26 U. S. C. 5741)

§ 280.125 *Destruction of tobacco materials—(a) Stems and waste.* Where a dealer in tobacco materials desires to destroy stems and waste, he shall do so by burning or by mixing thoroughly with lime, sulphur, bone dust, ashes, or other such substance.

(b) *Other materials.* Where a dealer desires to destroy tobacco in process, Perique, Black Fat, leaf tobacco, scraps, cuttings, clippings, and siftings, and obtain credit therefor in the records kept by him under § 280.127, he shall notify the assistant regional commissioner of the kind and quantity of such tobacco materials and the date on which he desires to destroy such tobacco materials. The assistant regional commissioner may assign a revenue officer to supervise the destruction of the tobacco materials, or he may authorize the dealer to destroy the tobacco materials in the manner provided in paragraph (a) of this section.

(68A Stat. 715; 26 U. S. C. 5741)

§ 280.126 *Credit for loss of tobacco materials by theft or destruction.* Every loss of tobacco materials by theft, or destruction by fire, casualty or act of God, while in the possession or ownership of a dealer in tobacco materials, shall be reported to the assistant regional commissioner and the facts of such loss shall be established to his satisfaction before credit therefor in the records of such dealer may be authorized.

(68A Stat. 715; 26 U. S. C. 5741)

§ 280.127 *Records.* Every dealer in tobacco materials shall maintain at his establishment complete and adequate records consistent with accepted commercial practice, of all tobacco materials received (except with respect to samples as provided by § 280.124) lost or destroyed, and shipped or delivered by him. The records shall show (a) with respect to tobacco materials received, the date, kind, quantity, and the name and address of each person from whom received, (b) with respect to materials lost or destroyed, the date, kind, and quantity as well as pertinent details as to such loss or destruction, and (c) with respect to materials shipped or delivered, the date, kind, quantity, and the name and address of each person to whom shipped or delivered. Such records, to include purchase and sales invoices, shall be retained for two years following the close of the year covered in such records, and made available for inspection by any revenue officer upon his request.

(68A Stat. 715; 26 U. S. C. 5741)

§ 280.128 *Statement of shipments and deliveries.* Every dealer in tobacco materials shall on demand of any revenue officer, furnish a true and complete statement, in the form required, of the quantity of all tobacco materials shipped or delivered to any person named in such demand, giving all pertinent details in connection with each such shipment or delivery.

(68A Stat. 714; 26 U. S. C. 5732)

§ 280.129 *Inventory.* When the interests of the Government may demand, a revenue officer may require a dealer in tobacco materials to make an inventory of all such materials held by the dealer.

§ 280.130 *Liability of dealer in tobacco materials.* Tobacco materials shipped or delivered contrary to the provisions of § 280.120 shall be regarded as manufactured tobacco, subject to tax at the rate imposed on manufactured tobacco, and the dealer in tobacco materials shipping or delivering such materials shall be regarded as a manufacturer of tobacco subject, as such, to the internal revenue laws and to Part 275 of this chapter relating to manufacturers of tobacco.

(68A Stat. 714; 26 U. S. C. 5731)

§ 280.131 *Assessment of tax.* The tax determined to be due under § 280.130 on tobacco materials shipped or delivered by a dealer in tobacco materials contrary to the provisions of this part shall be assessed, subject to the limitations prescribed in section 6501, I. R. C., against such dealer. The tax so assessed shall be in addition to any penalties prescribed by law for failure to pay such tax: *Provided*, That, except in cases where delay may jeopardize collection of the tax, or where the amount is nominal or the result of an evident mathematical error, no such assessment shall be made until and after notice has been afforded such dealer to show cause against assessment. The dealer will be allowed 30 days from the date of such notice to show cause, in writing, against such assessment.

(68A Stat. 707, 836; 26 U. S. C. 5703, 6802)

§ 280.132 *Claim for abatement of assessment.* Claim for abatement of the unpaid portion of the assessment of any tax on tobacco, or any liability in respect of such tax, alleged to be excessive in amount, assessed after the expiration of the period of limitation applicable thereto, or erroneously or illegally assessed, shall be filed on Form 843, in duplicate, with the assistant regional commissioner. Such claim shall set forth the reasons relied upon for the allowance of the claim and be accompanied by evidence necessary to support the claim.

(68A Stat. 792; 26 U. S. C. 6404)

§ 280.133 *Claim for refund of tax.* The tax paid on tobacco materials may be refunded where the tax has been paid in error. Any dealer who paid the tax may file claim for refund thereof under this section. The claim for refund, Form 843, shall be filed in duplicate within three years from the date of payment of the tax, with the assistant re-

gional commissioner for the region in which the tax was paid, and the claim shall be supported by evidence necessary to establish to the satisfaction of the assistant regional commissioner that the claim is valid.

(68A Stat. 709; 26 U. S. C. 5705)

SUBPART I—SUSPENSION AND DISCONTINUANCE OF OPERATIONS

§ 280.140 *Discontinuance of operations.* Every dealer in tobacco materials who desires to discontinue operations and close out his establishment shall dispose of all tobacco materials on hand, in accordance with this part, and surrender his permit to the assistant regional commissioner as notice of such discontinuance and to permit the assistant regional commissioner to terminate the liability of the surety on the bond of the dealer.

§ 280.141 *Suspension and revocation of permit.* Where the assistant regional commissioner has reason to believe that a dealer in tobacco materials has not in good faith complied with the provisions of Chapter 52, I. R. C., and regulations thereunder, or with any other provision of the I. R. C. with intent to defraud, or has violated any condition of his permit, or has failed to disclose any material information required or made any material false statement in the application for the permit, or has failed to maintain his premises in such manner as to protect the revenue, the assistant regional commissioner shall issue an order, stating the facts charged, citing such dealer to show cause why his permit should not be suspended or revoked after hearing thereon in accordance with 26 CFR (1939) Part 200, "Rules of Practice in Permit Proceedings," which part (including the provisions relating to appeals) is made applicable to such proceedings. If the hearing examiner, or the Director, Alcohol and Tobacco Tax Division, on appeal, decides the permit should be revoked or suspended for such time as to him seems proper, the assistant regional commissioner shall by order give effect to such decision.

(68A Stat. 712; 26 U. S. C. 5713)

[F. R. Doc. 55-6206; Filed, Aug. 1, 1955
8:48 a. m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 906]

[Docket No. AO-210-A6]

HANDLING OF MILK IN THE TULSA-MUSKOGEE, OKLAHOMA, MARKETING AREA

NOTICE OF EXTENSION OF TIME FOR FILING EXCEPTIONS TO A RECOMMENDED DECISION WITH RESPECT TO A PROPOSED AMENDMENT TO THE TENTATIVE MARKETING AGREEMENT, AND TO THE ORDER, AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.) and the applicable rules of practice and procedure governing the formulation of

marketing agreements and orders (7 CFR Part 900) notice is hereby given that the time for filing exceptions to the recommended decision with respect to proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Tulsa-Muskogee, Oklahoma marketing area, which was issued July 19, 1955 (20 F. R. 5262), is hereby extended to August 1, 1955.

Dated: July 28, 1955, at Washington, D. C.

[SEAL] F. R. BUNKE,
Acting Deputy Administrator

[F. R. Doc. 55-6202; Filed, Aug. 1, 1955;
8:48 a. m.]

DEPARTMENT OF LABOR

Wage and Hour Division

[29 CFR Part 711]

MINIMUM WAGE RATES IN THE ELECTRICAL, INSTRUMENT, AND RELATED MANUFACTURING INDUSTRIES IN PUERTO RICO

NOTICE OF PROPOSED DECISION

On September 14, 1954, pursuant to section 5 of the Fair Labor Standards Act, as amended (hereinafter called the act) the Administrator of the Wage and Hour Division, United States Department of Labor, by Administrative Order No. 440, as amended by Administrative Order No. 441 dated October 18, 1954, appointed Special Industry Committee No. 16-A for Puerto Rico (hereinafter called the committee) and directed the committee to investigate conditions in the electrical, instrument, and related manufacturing industries in Puerto Rico (hereinafter called the industry) and to recommend minimum wage rates for employees engaged in commerce or in the production of goods for commerce in such industry.

For purposes of investigating conditions in and recommending minimum wages for the electrical, instrument, and related manufacturing industries in Puerto Rico, the committee included three disinterested persons representing the public, a like number representing employers, and a like number representing employees in the industry, and was composed of residents of Puerto Rico and of the United States outside of Puerto Rico with due regard to the geographical regions in which the industry is carried on.

After investigating economic and competitive conditions in the industry, as defined in Administrative Order No. 440 the committee filed with the Administrator a report containing the following recommendations: (1) That the electrical, instrument and related manufacturing industries in Puerto Rico should be divided into separable divisions for the purpose of fixing minimum wage rates and that these separable divisions should be entitled and defined as (a) the lens and thermometer division, (b) the resistance-type household appliance division, and (c) the general division; (2) (a) that a minimum wage rate of 60 cents an hour should be paid in the lens and thermometer division, (b) that a

minimum wage rate of 65 cents an hour should be paid in the resistance-type household appliance division, and (c) that a minimum wage rate of 70 cents an hour should be paid in the general division, to employees who are engaged in commerce or in the production of goods for commerce.

Pursuant to notice published in the FEDERAL REGISTER on January 8, 1955 (20 F. R. 229) and to notice of postponement published in the FEDERAL REGISTER on January 22, 1955 (20 F. R. 524) and circulated to all interested parties, a public hearing upon the committee's recommendations was held before Hearing Examiner Clifford P. Grant, as presiding officer, on February 23, 1955, in Washington, D. C., at which all interested parties were given an opportunity to be heard.

After the hearing was closed the record of the hearing was certified to the Administrator by the presiding officer.

Upon receiving all of the evidence adduced in this proceeding, and giving due consideration to the provisions of the Act, particularly sections 5 and 8 thereof, I have concluded that the recommendation of the committee for the division of the electrical, instrument, and related manufacturing industries in Puerto Rico into separate and distinct divisions to be known as the lens and thermometer division, the resistance-type household appliances division, and the general division, together with the recommendations of the committee for a minimum wage rate of 60 cents an hour in the lens and thermometer division, a minimum wage rate of 65 cents an hour in the resistance-type household appliance division, and a minimum wage rate of 70 cents an hour in the general division, as hereinafter defined, were made in accordance with law, are supported by the evidence adduced at the hearing, and taking into consideration the same factors as are required to be considered by the committee, will carry out the purposes of sections 5 and 8 of the act.

I have set forth my decision in a document entitled "Findings and Opinion of the Administrator in the Matter of the Recommendations of Special Industry Committee No. 16-A for Puerto Rico for Minimum Wage Rates in the Electrical, Instrument and Related Manufacturing Industries in Puerto Rico," a copy of which may be had upon request addressed to the Wage and Hour Division, United States Department of Labor, Washington 25, D. C.

Accordingly, notice is hereby given pursuant to the Administrative Procedure Act (60 Stat. 237, 5 U. S. C. 1001) and the rules of practice governing this proceeding that, by the authority vested in me under the Fair Labor Standards Act of 1938, as amended (29 U. S. C. 201 et seq.) Reorganization Plan No. 6 of 1950 (5 U. S. C. 611) General Order No. 45-A (15 F. R. 3290) and the position of the Administrator being presently vacant, General Order No. 85 (20 F. R. 2066), (1) I proposed to amend 29 CFR, Part 701 to the extent that it applies to the electrical, instrument, and related manufacturing industries in Puerto Rico, as hereinafter defined, and (2) I propose to issue a wage order for the electrical,

instrument, and related manufacturing industries in Puerto Rico, to be contained in 29 CFR, Part 711 as follows:

Sec.

711.1 Approval of recommendation of industry committee.

711.2 Wage rates.

711.3 Notices of order.

711.4 Definition of the electrical, instrument and related manufacturing industries in Puerto Rico, and division thereof.

AUTHORITY: §§ 711.1 to 711.4 issued under section 8, 52 Stat. 1064, as amended, 29 U. S. C. 208.

§ 711.1 *Approval of recommendation of industry committee.* The committee's recommendations are hereby approved.

§ 711.2 *Wage rates.* (a) Wages at a rate of not less than 60 cents an hour shall be paid under section 6 of the Fair Labor Standards Act of 1938, as amended, by every employer to each of his employees in the lens and thermometer division of the electrical, instrument and related manufacturing industries in Puerto Rico who is engaged in commerce or in the production of goods for commerce.

(b) Wages at a rate of not less than 65 cents an hour shall be paid under section 6 of the Fair Labor Standards Act of 1938, as amended, by every employer to each of his employees in the resistance-type household appliance division of the electrical, instrument and related manufacturing industries in Puerto Rico who is engaged in commerce or in the production of goods for commerce.

(c) Wages at a rate of not less than 70 cents an hour shall be paid by every employer to each of his employees in the general division of the electrical, instrument and related manufacturing industries in Puerto Rico who is engaged in commerce or in the production of goods for commerce.

§ 711.3 *Notices of order.* Every employer employing any employees so engaged in commerce or in the production of goods for commerce in the electrical, instrument and related manufacturing industries in Puerto Rico shall post in a conspicuous place in each Department of his establishment where such employees are working such notices of this order as shall be prescribed from time to time, by the Wage and Hour Division of the United States Department of Labor and shall give such other notice as the Division may prescribe.

§ 711.4 *Definition of the electrical, instrument and related manufacturing industries in Puerto Rico, and divisions thereof.* (a) (1) The electrical, instrument and related manufacturing industries in Puerto Rico to which this part shall apply is hereby defined as follows: The manufacture, assembly, or repair of machinery, apparatus, equipment and supplies for the generation, storage, transmission, transportation or utilization of electrical energy and the manufacture, assembly, or repair of instruments, apparatus, and equipment for scientific, professional, industrial-measurement, photographic, musical or horological purposes: *Provided, however* That the definition shall not include (1) industrial and commercial machinery

powered by electric motors, (2) measuring-and-dispensing pumps, or (3) any activity included in the clay and clay products industry, the jewel cutting and polishing industry, or the stone, glass, and related products industry, as defined in the wage orders for those industries in Puerto Rico.

(2) The definition contained in paragraph (1) of this subsection supersedes the definition contained in any and all wage orders issued heretofore for other industries in Puerto Rico to the extent that such definitions include products or operations covered by the definition of this industry.

(b) The separable divisions of the industries defined in paragraph (a) (1) of the section to which this wage order shall apply are hereby defined as follows:

(1) *Lens and thermometer division.* This division consists of the grinding and manufacture of optical and ophthalmic lenses and prisms and the manufacture of glass thermometers and hydrometers.

(2) *Resistance-type household appliance division.* This division consists of the manufacture of household electrical appliances of the resistance type and parts therefor, used for heating, cooking and other purposes (except illumination) including, but without limitation, electric ranges, stoves, hotplates, cookers, casseroles, roasters, toasters, heaters, irons, and percolators.

(3) *General division.* This division consists of all products and activities included in the electrical, instrument, and related manufacturing industries, as defined in paragraph (a) (1) of this section, except products and activities included in the lens and thermometer division and the resistance-type household appliance division as defined herein.

Within five days from the date of publication of this notice in the *FEDERAL REGISTER* interested persons may submit written exceptions to the proposed actions described. Exceptions should be submitted in quadruplicate to the Office of the Administrator of the Wage and Hour Division, United States Department of Labor, Washington 25, D. C., and should include supporting reasons therefor.

Signed at Washington, D. C., this 28th day of July 1955.

STUART ROTHMAN,
Solicitor of Labor

[F. R. Doc. 55-6246; Filed, Aug. 1, 1955; 8:51 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[17 CFR Part 240]

SOLICITATION OF PURCHASES ON AN EXCHANGE TO FACILITATE A DISTRIBUTION OF SECURITIES

EXCHANGE DISTRIBUTION PLAN OF THE NEW YORK STOCK EXCHANGE

Notice is hereby given that the Securities and Exchange Commission has under consideration a proposal to declare effective an amended Exchange Distribution Plan filed by the New York Stock Exchange to permit specialists to participate in such Plan under certain con-

ditions. The Commission's action would be taken pursuant to the provisions of sections 10 (b) and 23 (a) of the Securities Exchange Act of 1934 and § 240.10b-2 (d) (Rule X-10B-2 (d)) thereunder.

The Commission's Rule X-10B-2, which implements the anti-manipulative provisions of the Securities Exchange Act of 1934, in substance prohibits any person engaged in distributing a security from paying any other person for soliciting or inducing a third person to buy the security on an exchange. Paragraph (d) of the rule provides that the rule shall not apply to any transaction effected in accordance with the provisions of a plan filed with the Commission by a national securities exchange and declared effective by the Commission, provided that the person paying such compensation does not know or have reasonable grounds to believe that transactions connected with such distribution are being carried out in violation of the plan.

The Exchange Distribution Plan of the New York Stock Exchange now in effect under § 240.12b-2 (d) authorizes the Exchange to grant approval to members to make a distribution of a block of securities "at the market" on the Exchange when the regular market on the Exchange cannot otherwise absorb the block of securities within a reasonable time and at a reasonable price or prices. The Plan contains certain anti-manipulative controls and requires participating members to make certain disclosures to persons solicited to buy the securities being distributed.

The New York Stock Exchange has requested the Commission to declare effective an amended Exchange Distribution Plan which would permit a specialist to make a distribution thereunder when he has been unable to dispose of the block of securities within a reasonable period in the ordinary course of his dealings as a specialist. The amended Plan contains certain additional anti-manipulative controls restricting the price at which a specialist may effect purchases of the security for his own account during the course of the distribution. It also prohibits him from dealing directly with the public in effecting such distribution; he would be required to make an arrangement with one or more other members to effect the distribution on his behalf.

The Exchange has indicated that the amended Plan should help specialists to maintain fair and orderly markets in the securities in which they act as specialists since they would be more willing to take larger amounts of stock, either in the ordinary performance of their dealer function on the Exchange or by purchasing blocks off the floor, because there will be available to them a facility for the distribution of the stock in the event that they are unable to sell such stock within a reasonable time in the ordinary course of their business as specialists.

The Commission proposes to declare the amended Distribution Plan of the New York Stock Exchange effective for an experimental period of six months on the condition that if at any time it appears to the Commission necessary or appropriate in the public interest or for

the protection of investors to suspend or terminate the effectiveness of the Plan the Commission may do so by sending at least 10 days' written notice to the Exchange. This condition would be imposed pursuant to the provisions of paragraph (d) (2) of the Commission's § 240.10b-2.

The text of the amended Exchange Distribution Plan of the New York Stock Exchange (which would be Rule 498 of the Exchange) is as follows:

RULE 498. To effect an "Exchange Distribution" of a block of a listed security, a member, member firm or member corporation, for his or its own account or the account of a customer, may

(A) Make an arrangement with one or more other members, member firms or member corporations under which

(1) The members, member firms or member corporations, with whom the arrangement is made, solicit others to purchase such security; and

(2) The selling member, member firm or member corporation pays to the members, member firms or member corporations, with whom the arrangement is made a special commission which is mutually agreeable but not lower than the applicable commission prescribed in Article XV of the Constitution; and

(3) The members, member firms or member corporations, with whom the arrangement is made, may pay a special commission to their registered representatives; and/or

(B) Pay a special commission to his or its registered representatives for soliciting others to purchase such security.

An "Exchange Distribution" may be made only with the prior approval of the Exchange (given after consulting and with the concurrence of a Governor who is active on the Floor of the Exchange). Such a Distribution shall not be approved unless the Exchange shall have determined that the regular market on the Floor of the Exchange cannot, within a reasonable time and at a reasonable price or prices, otherwise absorb the block of securities which is to be the subject of the "Exchange Distribution." In making such determination, the following factors may be taken into consideration, viz:

(a) Price range and the volume of transactions in such security on the Floor of the Exchange during the preceding month;

(b) Attempts which have been made to dispose of the security on the Floor of the Exchange;

(c) The existing condition of the specialist's book and Floor quotations with respect to such security;

(d) The apparent past and current interest in such security on the Floor; and

(e) The number of shares or bonds and the current market value of the block of such security proposed to be covered by such "Exchange Distribution."

No "Exchange Distribution" shall be made unless each of the following conditions is complied with:

(1) The person for whose account the Distribution is to be made shall, at the time of the Distribution, be the owner of the entire block of the security to be so distributed.

(2) The person for whose account the Distribution is to be made shall include within the Distribution all of the security which he then intends to offer within a reasonable time, and there shall be furnished to the Exchange, before the Distribution is made, a written statement by the Offeror to that effect or a written statement by his broker stating that the broker has been so advised by the offeror.

(3) The person for whose account the Distribution is made shall agree that, during the period the Distribution is being made, he will not bid for or purchase any of the security for any account in which he has a direct or indirect interest.

(4) The members, member firms and member corporations who are parties to the arrangement for the Distribution shall not, during the period the Distribution is being made, bid for or purchase any of the security for an account in which they have a direct or indirect interest.

(5) No member shall be granted approval to effect an "Exchange Distribution" of a block of a security for an account in which he has a direct or indirect interest, if he is registered as a specialist in such security, unless the Exchange has determined that such member has been unable, within a reasonable period of time, to dispose of the block of securities in the ordinary course of his dealings as a specialist. Such approval shall stipulate that the specialist may not deal directly with the public but must make an arrangement with one or more other members, member firms or member corporations to solicit others to purchase the security, and pay a special commission to such other members, member firms and member corporations as provided for under paragraph (A) of this Rule.

(6) Each member, member firm or member corporation soliciting purchase orders for execution in the Distribution shall advise the person so solicited, before effecting any transaction for such person pursuant thereto, that the securities being offered are part of a specified number of shares or bonds being offered in an "Exchange Distribution" and that he or it

(a) Is acting for the seller and will receive a special commission from the seller or his broker, or is acting as a principal; and

(b) Is charging the buying customer the regular commission, the equivalent of the regular commission, or is making the sale at a net amount, whichever the case may be.

(7) No "short" sale may be made in connection with the Distribution. However, securities may be borrowed to make delivery where the person owns the securities sold and intends to deliver such securities as soon as is possible without undue inconvenience or expense.

The conditions set forth in (2), (3), and (4) above shall not apply to transactions effected on the Exchange, for the purpose of maintaining a fair and orderly market, by a member in a security in which he is registered as a specialist and which is the subject of an Exchange Distribution for an account in which he has an interest, except that, while such Distribution is in effect, he shall not bid for or purchase such stock on the Exchange for an account in which he has an interest:

(a) At a price above the preceding sale (i. e., a "plus" tick) or

(b) At a price above the next preceding different sale price (i. e., a "zero plus" tick).

The conditions set forth in (3) and (4) above shall not apply to purchases necessitated solely in connection with "crossing" orders pursuant to the Distribution.

In effecting an "Exchange Distribution" the orders for the purchase of the securities being distributed must be sent to the Floor together with an order to sell an equal amount to be "crossed" in accordance with the rules applicable to the crossing of orders on the Floor, and such transactions shall be printed on the ticker tape.

The member, member firm or member corporation selling securities in an "Exchange Distribution" shall report to the Exchange all transactions in such securities effected by him or it for any account in which the seller had a direct or indirect interest, commencing with the time arrangements for the Distribution were made and ending with the time the Distribution was completed.

All interested persons are invited to submit views and comments on the above proposal in writing to the Securities and Exchange Commission, Washington 25, D. C., on or before August 15, 1955. Views and comments will be available for public inspection unless in any case a person requests that his comments shall not be made public.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

JULY 21, 1955.

[F. R. Doc. 55-6208; Filed, Aug. 1, 1955; 8:48 a. m.]

NOTICES

DEPARTMENT OF THE TREASURY

Office of the Secretary

[T. D. Order 120, Amdt. 9]

BUREAU OF THE MINT

TRANSFER OF FUNCTIONS WITHIN THE BUREAU

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, as an amendment of Treasury Department Order No. 120, dated July 31, 1950, I hereby transfer all of the functions of the Assayer of the United States

Mint at San Francisco, California to the Superintendent of the United States Mint, San Francisco, California.

This amendment of Treasury Department Order No. 120 shall be effective August 1, 1955, and shall remain in effect until terminated by subsequent order.

Dated: July 27, 1955.

[SEAL] H. CHAPMAN ROSE,
Acting Secretary of the Treasury.

[F. R. Doc. 55-6207; Filed, Aug. 1, 1955; 8:48 a. m.]

Fiscal Service, Bureau of the Public Debt

[1955 Dept. Circ. 963]

2 PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES B-1956; TAX ANTICIPATION SERIES

OFFERING OF CERTIFICATES

Corrected Reprint

JULY 20, 1955.

I. Offering of certificates. 1. The Secretary of the Treasury, pursuant to the authority of the second Liberty Bond

Act, as amended, invites subscriptions, at par, from the people of the United States for certificates of indebtedness of the United States, designated 2 percent Treasury Certificates of Indebtedness of Series B-1956, in exchange for 1½ percent Treasury Certificates of Indebtedness of Series D-1955, maturing August 15, 1955. The amount of the offering under this circular will be limited to the amount of maturing certificates tendered in exchange and accepted. The books will be open only on July 20 through July 22 for the receipt of subscriptions for this issue.

2. In addition to the offering under this circular, holders of the maturing certificates are offered the privilege of exchanging all or any part of such certificates for 2 percent Treasury Notes of Series B-1956, which offering is set forth in Department Circular No. 964, issued simultaneously with this circular.

II. *Description of certificates.* 1. The certificates will be dated August 1, 1955, and will bear interest from that date at the rate of 2 percent per annum, payable with the principal at maturity on June 22, 1956. They will not be subject to call for redemption prior to maturity.

2. The income derived from the certificates is subject to all taxes imposed under the Internal Revenue Code of 1954. The certificates are subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The certificates will be acceptable to secure deposits of public moneys. They will be accepted at par plus accrued interest to maturity in payment of income and profits taxes due on June 15, 1956.

4. Bearer certificates will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. The certificates will not be issued in registered form.

5. The certificates will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States certificates.

III. *Subscription and allotment.* 1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Office of the Treasurer of the United States, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject or reduce any subscription, and to allot less than the amount of certificates applied for and any action he may take in these respects shall be final. Allotment notices will be sent out promptly upon allotment.

IV. *Payment.* 1. Payment at par for certificates allotted hereunder must be made on or before August 1, 1955, or on later allotment, and may be made only in Treasury Certificates of Indebtedness of Series D-1955, maturing August 15, 1955, which will be accepted at par, and should accompany the subscription. Coupons dated August 15, 1955, should be detached from the certificates when surrendered, and cashed when due.

edness of Series D-1955, maturing August 15, 1955, which will be accepted at par, and should accompany the subscription. Coupons dated August 15, 1955, should be detached from the certificates when surrendered, and cashed when due.

V. *General provisions.* 1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective Districts, to issue allotment notices, to receive payment for certificates allotted, to make delivery of certificates on full-paid subscription allotted, and they may issue interim receipts pending delivery of the definitive certificates.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

[SEAL]

G. M. HUMPHREY,
Secretary of the Treasury.

[F. R. Doc. 55-6008; Filed, July 25, 1955;
8:46 a. m.]

[1955 Dept. Circ. 964]

2 PERCENT TREASURY NOTES OF SERIES B-1956; ADDITIONAL ISSUE

OFFERING OF NOTES

Corrected Reprint

July 20, 1955.

I. *Offering of notes.* 1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par with an adjustment of interest as provided in Section IV hereof, from the people of the United States for notes of the United States, designated 2 percent Treasury Notes of Series B-1956, in exchange for 1½ percent Treasury Certificates of Indebtedness of Series D-1955, maturing August 15, 1955. The amount of the offering under this circular will be limited to the amount of maturing certificates tendered in exchange and accepted. The books will be open only on July 20 through July 22 for the receipt of subscriptions for this issue.

2. In addition to the offering under this circular, holders of the maturing certificates are offered the privilege of exchanging all or any part of such certificates for 2 percent Treasury Certificates of Indebtedness of Series B-1956, which offering is set forth in Department Circular No. 963, issued simultaneously with this circular.

II. *Description of notes.* 1. The notes now offered will be an addition to and will form a part of the series of 2 percent Treasury Notes of Series B-1956 issued pursuant to Department Circular No. 960, dated May 3, 1955, will be freely interchangeable therewith, are identical in all respects therewith, and are

described in the following quotation from Department Circular No. 960:

1. The notes will be dated May 17, 1955, and will bear interest from that date at the rate of 2 percent per annum, payable on a semiannual basis on February 15 and August 15, 1956. They will mature August 15, 1956, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes is subject to all taxes imposed under the Internal Revenue Code of 1954. The notes are subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The notes will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer notes with interest coupons attached will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$1,000,000, \$100,000,000, and \$500,000,000. The notes will not be issued in registered form.

5. The notes will be subject to the general regulations of the Treasury Department as now or hereafter prescribed in Department Circular No. 300, Revised.

III. *Subscription and allotment.* 1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Office of the Treasurer of the United States, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject or reduce any subscription, and to allot less than the amount of notes applied for; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. *Payment.* 1. Payment at par and accrued interest from May 17, 1955, to August 1, 1955, for notes allotted hereunder must be made on or before August 1, 1955, or on later allotment. Payment of the principal amount may be made only in Treasury Certificates of Indebtedness of Series D-1955, maturing August 15, 1955, which will be accepted at par. The certificates together with accrued interest at the rate of \$4.1989 per \$1,000 on the notes to be issued should accompany the subscription. Coupons dated August 15, 1955, should be detached from the certificates when surrendered, and cashed when due.

V. *General provisions.* 1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective Districts, to issue allotment notices, to receive payment for notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

[SEAL] G. M. HUMPHREY,
Secretary of the Treasury.

[F. R. Doc. 55-6009; Filed, July 25, 1955;
8:46 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. SA-308]

ACCIDENT OCCURRING AT MIDWAY AIRPORT,
CHICAGO, ILL.

NOTICE OF HEARING

In the matter of investigation of accident involving aircraft of United States Registry N 3422, which occurred at Midway Airport, Chicago, Illinois, July 17, 1955.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, particularly section 702 of said act, in the above-entitled proceeding that hearing is hereby assigned to be held on Wednesday, August 10, 1955, at 9:30 a. m. (local time) in the Hotel Shoreland, 5454 South Shore Drive, Chicago, Illinois.

Dated at Washington, D. C., July 26, 1955.

[SEAL] THOMAS K. McDILL,
Presiding Officer

[F. R. Doc. 55-6220; Filed, Aug. 1, 1955;
8:51 a. m.]

GENERAL SERVICES ADMINISTRATION

[Project No. 3-DC-01]

FEDERAL OFFICE BUILDING

PROSPECTUS FOR PROPOSED BUILDING IN SOUTHWESTERN PORTION OF THE DISTRICT OF COLUMBIA

EDITORIAL NOTE: This prospectus of proposed Project Number 3-DC-01 is published pursuant to section 412 (f) of the Public Buildings Purchase Contract Act of 1954, as amended by Public Law 150, 84th Congress, which requires publication in the FEDERAL REGISTER for a period of ten consecutive days from date of submission to the Committees on Public Works of the Senate and House of Representatives.

Project Number 3-DC-01

PROSPECTUS FOR PROPOSED BUILDING UNDER TITLE I, PUBLIC LAW 519, 83D CONGRESS, 2D SESSION

FEDERAL OFFICE BUILDING, WASHINGTON, D. C.

A. Brief description of proposed building:

The project contemplates the erection of a Federal Office Building on a site to be acquired in the Southwest redevelopment area.

The proposed building will be a six-story and penthouse structure, stone exterior, with cafeteria included, and air conditioned throughout. It will have a gross floor area of 815,000 square feet, that will provide 558,000 square feet of net space, of which 500,000 square feet will be office area, 10,000 square feet for shops, 34,000 square feet for cafeteria, and 14,000 square feet for custodial, health unit, etc.

B. Maximum cost and financing:

1. Total over-all value of project	\$20,200,000
a. Items not included in purchase contract:	
(1) Architectural	\$935,000
(2) Land	2,500,000
	\$3,435,000

b. Purchase contract costs:

(1) Improvements	\$16,705,000
2. Contract Term	10 to 25 years
3. Maximum rate of interest on purchase contract	4%

C. Estimated annual costs:

1. 25 Year Contract Term:

a. Purchase contract payments:

(1) Amortization and interest	\$1,069,320
(2) Taxes	251,213
Rate per net sq. ft. \$2.37.	\$1,320,533

b. Costs not included in purchase contract payments:

(1) Custodial and utilities	\$538,000
(2) Repair and maintenance	82,000
Rate per net sq. ft. \$1.11.	\$620,000

c. Total Estimated Annual Cost

Rate per net sq. ft. \$3.48.	\$1,940,533
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2. Second 25 Year Term:

a. Custodial and utilities	\$538,000
b. Repairs and maintenance	160,000

c. Total Estimated Annual Cost

Rate per net sq. ft. \$1.25.	\$698,000
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3. 50 Year Average:

a. Total Estimated Annual Cost	\$1,319,267
Rate per net sq. ft. \$2.36.	\$1,970,000

4. Annual Rental Costs for Comparable Space (Net Agency)

Rate per net sq. ft. \$3.94.	\$3,039,000
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5. Maximum Annual Payment Permitted (15% of fair market value.)

NOTE: All estimates based on 1955 price levels.

D. Present annual rental and other housing costs:

	Net sq. ft.	Unit cost	Total cost
1. Existing Tempo's 4, 5 and T (or comparable space), to be supplanted by proposed building	500,000	\$0.93	\$465,000

E. Justification of project:

1. Lack of Suitable Space:

a. The needs for space for the permanent activities of the Federal Government cannot be satisfied by utilization of existing Government-owned space.

b. Suitable rental space of comparable cost and characteristics is not available at a price commensurate with that to be afforded through the contract proposed.

c. The space requested and proposed is needed for permanent activities of the Federal Government.

d. The best interest of the Government will be served by taking the action proposed.

2. Existing Conditions:

During the past several years there has been an active and widespread movement on the part of the public and Governmental agencies, notably the Commission of Fine Arts, concerning the removal of World War I and II Tempos and the restoration of the park lands.

Data compiled as of December 31, 1954, indicates that the Federal Government is currently utilizing four (4) World War I Tempos, providing 2,083,903 square feet of net agency space, with 16,508 personnel; and 35 World War II Tempos, providing 3,585,063 square feet, with 22,823 personnel. In summary, 39 Tempos, providing a total of 5,668,966 square feet of net agency space, with aggregate personnel of 39,329. The aforementioned figures do not include space or personnel of the Central Intelligence Agency.

The Congress, long sympathetic to the insistent demand for the razing of the Tempo's has considered several proposed bills to ac-

complish this purpose. Among these was S 1290, passed in the Senate on June 8, 1955, and enacted as Public Law 150, 84th Congress, approved July 12, 1955. That law expressly manifests the intent of Congress that (1) provision of accommodations for executive agencies by GSA as a part of the program for redevelopment of the southwest portion of the District of Columbia be accomplished on a lease-purchase basis and (2) temporary space of equivalent occupancy be demolished.

The proposed building will provide approximately 500,000 square feet of net office space, to accommodate equivalent personnel displaced from temporary buildings contemplated for initial demolition under current long-range planning programs.

3. Direct and Indirect Benefits Expected to Accrue.

a. Agencies whose related operations are scattered among two or more locations will be able to concentrate all of them in a single location and thereby realize appreciable economies deriving from such factors as contiguity of operating elements, immediate accessibility of employees and records, and elimination of transportation and communication delays.

b. The accommodation of Federal agencies in a single building will provide flexibility in making internal reassignments of agency space where increases or decreases in requirements occur.

c. The proposed building will be functional in concept and devoid of excessive embellishment and extravagant appointments. The design of the building and facilities will provide for the utmost economy in construction; maintenance and operation costs considered. It will be provided with modern fittings, appointments and conveniences comparable to those provided in buildings of private enterprise. Maintenance and improvement of employee morale and the consequent increasing of employee efficiency over a period of years may thus be confidently expected to result in intangible though nonetheless real economies.

F. Analysis of project space:

1. Since this project is intended to provide for relocation of numerous Federal activities now housed in temporary buildings, no specific allocation of space among agencies can be made. Therefore requirement for Certificate of Need otherwise required by Section 411 (e) of the Public Buildings Purchase Contract Act of 1954 was waived in Public Law 150, 84th Congress.
2. Space:
 - a. Distribution:

Agency	Tempo's 4, 5, and T proposed			
	Net sq. ft.	Personnel	Net sq. ft.	Personnel
The specific allocation of agencies to be quartered in the proposed building has not been presently determined.				
Subtotal, Agency Space.....	500,520	3,072	500,000	3,700
General Services:				
Custodial and Shops.....			22,000	132
Health Unit and Vending Stand.....			2,000	3
Cafeteria.....			34,000	60
Total.....	500,520	3,072	558,000	3,895

b. Utilization:

Agency Space—sq. ft. per person..... 163 135
 Total Space—sq. ft. per person..... 163 144

c. Efficiency Ratio, net to gross (net assignable)..... 68.5%

G. Analysis of project cost:**1. Costs of Improvements—Normal:**

a. Construction.....\$12,250,000
 b. Elevator.....430,000
 c. Air Conditioning.....1,750,000
 d. Interest, taxes, etc., during construction.....730,000
 Cost per gross sq. ft. \$18.60.....\$15,160,000

2. Costs of Improvements—Additional:

a. Approaches & utilities.....\$150,000
 b. Steam connection.....120,000
 c. Stone face.....525,000
 d. Contingencies.....750,000
 \$1,545,000

3. Total Cost of Improvement.....\$16,705,000

4. Costs Not Included in Purchase Contract:

a. Architectural.....\$995,000
 b. Land to be acquired (Est. Cost).....2,500,000
 \$3,495,000

5. Total over-all value of project.....\$20,200,000

H. Other selected data:

1. The proposed contract provisions will not exceed the amount necessary to:
 - a. Amortize principal.
 - b. Provide interest not to 4% of the outstanding principal.
 - c. Reimburse contractor for the cost of taxes and interest during construction.
 - d. Reimburse contractor for proportional charge for redevelopment general area, streets and utilities.
2. It is proposed to make awards on financing and construction by competition.
3. Estimated completion date for the project is 40 months from date of final approval.
4. Taxes computed on basis of 75% ratio and \$22.00 per \$1,000.
5. Insurance included during construction only as part of total cost borne by construction contractor. During post-construction period Government will act as self-insurer.

Project Number 3-DC-01

Submission

Submitted at Washington, D. C.

Recommended:

[S] PETER A. STROBEL,
 Commissioner of Public Buildings Service,
 General Services Administration.

Approved:

[S] A. E. SNYDER,
 Acting Administrator,
 General Services Administration.

Statement of Director, Bureau of the Budget**EXECUTIVE OFFICE OF THE PRESIDENT****BUREAU OF THE BUDGET**

WASHINGTON, D. C.

Project 3-DC-01
 Federal Office Building,
 Southwest Redevelopment Area,
 Washington, D. C.

JULY 22, 1955.

MY DEAR MR. MANSURE:

Pursuant to section 411 (e) (8) of the Public Buildings Purchase Contract Act of 1954 (Public Law 519), the proposal for a Federal Office Building, transmitted with your letter of June 28, 1955, has been examined and in my opinion "is necessary and in conformity with the policy of the President." This approval is given with the following understandings:

1. That the project cost of \$20,200,000 (including \$2,500,000 for land to be acquired) is a maximum figure.

2. That the reported annual operating cost of existing Tempos 4, 5 and T, i. e., 99¢ per sq. ft., represents minimum maintenance in anticipation of demolition, and that temporary Government buildings actually cost more to maintain than the proposed new building.

3. That the proposed building will house some 10 percent of Federal employees presently housed in temporary buildings, and that the specific allocation of agencies in the proposed building is to be determined later by GSA.

4. That every effort will be made to design and construct space conducive to maximum efficient utilization and to take advantage of any revision of cost downward which may be found possible as the plans develop and negotiations are advanced.

You appreciate, of course, that this project will receive a more detailed review as to cost and space utilization prior to approval of the lease-purchase agreement.

Sincerely yours,

[Signed] ROWLAND HUGHES,
 Director.

HON. EDMUND F. MANSURE,
 Administrator,
 General Services Administration,
 Washington 25, D. C.

[F. R. Doc. 55-6130; Filed, July 20, 1955;
 10:00 a. m.]

DEPARTMENT OF THE INTERIOR**Bureau of Indian Affairs**

[Juneau Area Office Redelgation Order No. 1]

REDELEGATIONS OF AUTHORITY WITH RESPECT TO CONSTRUCTION, SUPPLY AND SERVICE CONTRACTS

SECTION 1. Authority. The authority delegated to the Area Director by the Commissioner of Indian Affairs in Order No. 566 (19 F. R. 3971) pertaining to construction, supply and service contracts is hereby redelegated as indicated in this order.

SEC. 2. Assistant Area Director, Administration. The Assistant Area Director, Administration, may enter into construction, supply and service contracts irrespective of the amounts involved, and perform the duties of Contracting Officer in regard to such contracts.

SEC. 3. Authorized Representative of Contracting Officer (a) With respect to construction contracts entered into by the Area Director, the Assistant Area Director, Administration, is designated as the authorized representative of the contracting officer as such term is used in such contracts and may perform the duties of the contracting officer except as follows:

(1) Functions relating to the termination of a contract.

(2) Disputes concerning questions of fact which are not disposed of by agreement.

SEC. 4. Appeals. An appeal from a findings of fact or decision of a contracting officer shall be made by notice of appeal in writing addressed to the Board of Contract Appeals, Office of the Solicitor, Department of the Interior, Washington 25, D. C., and shall be mailed to or filed with the contracting officer, within the time allowed by the contract. The notice of appeal shall specify the portion of the findings of fact or decision from which the appeal is taken, and the reasons why the findings or decision are deemed erroneous. Immediately upon receipt of the notice of appeal, the contracting officer shall inform the Board by air mail that the appeal has been received. (Regulations

governing appeals are published in 19 F. R. 9389.)

WILLIAM H. OLSEN,
Area Director

Approved: July 27, 1955.

W BARTON GREENWOOD,
Acting Commissioner

[F. R. Doc. 55-6200; Filed, Aug. 1, 1955;
8:47 a. m.]

Bureau of Land Management
COLORADO

RESTORATION ORDER NO. 10 (AREA III)
UNDER FEDERAL POWER ACT

JULY 27, 1955.

Pursuant to Determination DA-308, Colorado, of the Federal Power Commission and in accordance with Order No. 541, Section 2.5, of the Director, Bureau of Land Management, approved April 21, 1954 (19 F. R. 2473) it is ordered as follows:

The lands hereinafter described, so far as they are reserved for power purposes, are hereby restored to disposition under the public land laws, subject to provisions of Section 24 of the Federal Power Act of June 10, 1920 (41 Stat. 1075; 16 U. S. C. 818) as amended:

NEW MEXICO PRINCIPAL MERIDIAN, COLORADO

T. 41 N., R. 6 W.,

Sec. 7: Lot 4.

T. 41 N., R. 7 W.,

Sec. 12: Lot 9 and Lot 16.

The area described totals 119.08 acres of public lands.

The land is located along Cunningham Gulch near its confluence with the Animas River at Howardsville, about five miles northeast of Silverton, Colorado. The topography is steep and mountainous with a heavy stand of non-commercial spruce and fir timber, with rocky escarpments.

No application for these lands will be allowed under the homestead, desertland, small tract, or any other non-mineral public-land law, unless the lands have already been classified as valuable or suitable for such type of application, or shall be so classified upon consideration of an application. Any application that is filed will be considered on its merits. The lands will not be subject to occupancy or disposition until they have been classified.

Any disposition of the lands described herein shall be subject to the stipulation that if and when the land is required in whole or in part for power development purposes, any structure or improvements placed thereon which may be found to obstruct or interfere with such development, shall without cost, expense, or delay to the United States, its licensees or permittees, be removed or relocated insofar as may be necessary to eliminate interference with such power development.

The lands described shall be subject to application by the State of Colorado for a period of 90 days from the date of publication of this order in the FEDERAL REGISTER for right-of-way for public highways or as a source of material for

construction and maintenance of such highways, in accordance with and subject to the provisions of section 24 of the Federal Power Act, as amended, and the special stipulation provided in the preceding paragraph.

The following described subdivision: Lot 4, Section 7, T. 41 N., R. 6 W., New Mexico Principal Meridian, is within the exterior boundaries of the San Juan National Forest and is therefore not subject to the provisions of the act of September 27, 1944 (58 Stat. 747; 43 U. S. C., 279-284) as amended, granting preference rights to veterans of World War II and others.

This order shall not otherwise become effective to change the status of the remaining land, viz: Lot 9 and Lot 16, Section 12, T. 41 N., R. 7 W., New Mexico Principal Meridian, until 10:00 a. m. on the 35th day after the date of this order. At that time the said land shall become subject to application, petition, location and selection under the applicable public-land laws, subject to valid existing rights, the provisions of existing withdrawals, the requirements of applicable laws, and the 91-day preference right filing period for veterans and others entitled to preference under the act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279-284) as amended. All applications filed pursuant to the Veterans' Preference Act of 1944, on or before 10:00 a. m. on the 35th day after the date of this order shall be treated as though simultaneously filed at that time. All other applications under the public-land laws filed on or before 10:00 a. m. of the 126th day after the date of this order shall be treated as though simultaneously filed at that time.

Inquiries concerning these lands shall be addressed to State Supervisor, Bureau of Land Management, P. O. Box 1018, 357 New Custom House, Denver 1, Colorado.

MAX CAPLAN,
State Supervisor.

[F. R. Doc. 55-6201; Filed, Aug. 1, 1955;
8:47 a. m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[P. & S. Docket No. 457]

**MARKET AGENCIES OPERATING AT THE
NORTH SALT LAKE UNION STOCK YARDS**

**NOTICE OF PETITION FOR MODIFICATION OF
RATE ORDER**

Pursuant to the provisions of the Packers and Stockyards Act, 1921, as amended (7 U. S. C. 181 et seq.), an order was issued on August 18, 1953 (12 A. D. 948) authorizing assessment of the current schedule of rates and charges for handling livestock other than by auction to and including September 14, 1955. A further order was issued on September 8, 1953 (12 A. D. 1034) authorizing assessment of the current schedule of rates and charges for handling livestock by auction to and including September 14, 1955.

On July 19, 1955, a petition was filed requesting authority to put into effect a

proposed new schedule of rates and charges for handling livestock other than by auction. On July 25, 1955, a petition was filed requesting authority to put into effect a proposed new schedule of rates and charges for handling livestock by auction. Copies of the proposed new schedules, containing modifications of the currently authorized schedules, were filed with the petitions.

The proposed new schedule for handling livestock other than by auction is as follows:

ARTICLE I—DEFINITIONS

Cattle are animals of the bovine species, weighed in drafts, the average weight of the animals in which is over 450 pounds.

Calves are animals of the bovine species, weighed in drafts, the average weight of the animals in which is 450 pounds or under.

Bulls are uncastrated male animals of the bovine species, weighed in drafts, the average weight of the animals in which is over 600 pounds.

Hogs are swine, weighed in drafts, irrespective of weight.

Sheep are animals of the ovine species, irrespective of weight, including lambs and goats.

A consignment, for the purpose of assessing selling charges, is all of the livestock of one species delivered in the name of one person to the market agency to be offered for sale during the trading hours of one day.

Purchase order, for the purpose of assessing buying charges, is all of the livestock of one species bought at one time but shipped or delivered to one person on one market day.

A draft is all the animals in one consignment or purchase order weighed as a single sales or purchase classification.

A person is either an individual, a partnership, a corporation or an association of any such acting as a unit.

ARTICLE II—SELLING COMMISSIONS

Cattle and calves: Per head

Cattle:

Consignments of 1 head..... \$1.20

Consignments of more than 1

head:

1 to 15 head inclusive..... 1.00

Each head over 15..... .90

Calves:

Consignments of 1 head..... .85

Consignments of more than 1

head:

1 to 15 head inclusive..... .65

Each head over 15..... .50

Bulls:

Over 600 pounds..... 1.50

Purebred bulls or cows any

weight sold for breeding pur-

poses..... 5.00

Hogs:

Consignments of 1 head..... .60

Consignments of more than 1 head:

First 10 head..... .50

Next 15 head..... .45

Each head over 25..... .35

Sheep:

Consignments of 1 head..... .50

Consignments of more than 1 head:

First 10 in each 210 head..... 40

Next 50 in each 210 head..... .25

Next 60 in each 210 head..... .15

Next 90 in each 210 head..... .13

Exhibition livestock: All livestock entered in a livestock show which is consigned to a commission firm for care and sold in regular Livestock Show Auction Sale or Exhibition Livestock:

Per head

Calves or cattle..... \$1.50

Hogs..... .85

Sheep..... .50

ARTICLE III

SECTION A—EXTRA DRAFT CHARGE

Drafts: On consignments where more than three drafts are necessary or requested 25 cents per draft in excess of three, maximum of \$3.00 will be charged.

SECTION B—BUYING CHARGES

The rates for buying livestock shall be the same as for selling like species with the following exception:

When livestock out of a consignment received for sale on a commission basis by this company is used to fill, in whole or part, an order received from a buyer, this company will be presumed to be acting solely as an agent of the consignor and shall collect the regular selling charges from the consignor. Collection shall also be made from the buyer to cover expenses incurred of an amount equal to one-half the regular buying charges on cattle, calves and hogs and a flat rate of eight (8) cents per head on sheep.

SECTION C—NATIONAL LIVESTOCK AND MEAT BOARD

The following deductions will be made from the proceeds of sale of shippers but this deduction is to be optional with each shipper and to be refunded within sixty (60) days upon request:

	Per head
Cattle.....	\$0.02
Calves.....	.01
Hogs.....	.01
Sheep.....	1/4¢

The proposed new schedule for handling livestock by auction is as follows:

ARTICLE I—DEFINITIONS

Cattle are animals of the bovine species, weighed in drafts, and the average weight of the animals in which is over 450 pounds.

Bulls are uncastrated male animals of the bovine species, weighed in drafts, the average weight of the animals in which is over 450 pounds.

Calves are animals of the bovine species, weighed in drafts, the average weight of the animals in which is 450 pounds or under.

Hogs are swine, weighed in drafts, irrespective of weight.

Sheep are animals of the ovine species, irrespective of weight, including lambs and goats.

A consignment, for the purpose of assessing selling charges, is all of the livestock of one species delivered in the name of one person to the market agency to be offered for sale during the trading hours of one market day. (Except in the case of sheep, in which case each 210 head shall be considered a separate consignment).

Purchase order, for the purpose of assessing buying charges, is all of the livestock of one species bought at one time but shipped or delivered to one person on one market day.

A draft is all of the animals in one consignment or purchase order weighed as a single sales or purchase classification.

A person is either an individual a partnership, a corporation or an association of any such acting as a unit.

ARTICLE II—SELLING COMMISSIONS

	Per head
Cattle and calves:	
Cattle weighing over 450 pounds.....	\$1.25
Calves weighing 450 pounds and under.....	.75
Hogs:	
Consignments of 1 head.....	.60
Consignments of more than 1 head:	
First 10 head.....	.50
Next 15 head.....	.45
Each head over 25.....	.35

Sheep:	Per head
Consignments of 1 head only.....	\$0.50
Consignments of more than 1 head:	
First 10 head in each 210 head.....	.40
Next 50 head in each 210 head.....	.25
Next 60 head in each 210 head.....	.15
Next 90 head in each 210 head.....	.13
Horses and mules: Horses and mules	
Irrespective of weight and age.....	2.50

(All sales of horses and mules to include halters, furnished at a price of \$0.50 per head, in addition to the selling commission.) (A charge of \$1.00 per head, plus \$0.60 per head for feed shall be made on all horses and mules passing through the Auction and offered for sale, where the animal is bid in by the owner.)

Exhibition livestock: All livestock entered in a livestock show and is consigned to this firm for care and is sold in the livestock show auction sale or exhibition livestock the following charges will be assessed:

	Per head
Cattle and calves.....	\$1.50
Hogs.....	.85
Sheep.....	.50

ARTICLE III

SECTION A—BUYING CHARGES

The rates for buying livestock shall be the same as selling like species except as follows:

When livestock out of a consignment received for sale on a commission basis by this Company is used to fill, in whole or in part, an order received from a buyer, this Company will be presumed to be acting solely as an agent of the consignor and collect the regular selling charges from the consignor. Collection shall also be made from the buyer to cover expenses incurred of an amount equal to one-half (1/2) the regular buying charge on cattle, calves and hogs, and a flat rate of eight (8) cents per head on sheep.

SECTION B—NATIONAL LIVESTOCK AND MEAT BOARD COLLECTIONS

The following deduction will be made from the proceeds of sale of shippers but this deduction is to be optional with each shipper and to be refunded within 60 days upon request.

	Per head
Cattle.....	\$0.02
Calves.....	.01
Hogs.....	.01
Sheep.....	1/4¢

The proposed rates and charges, if authorized, would produce additional revenue for the respondent market agencies and increase the cost of marketing livestock. Accordingly, it appears that this public notice should be given of the filing of the petitions and their contents in order that all interested persons may have an opportunity to indicate a desire to be heard in the matter.

All interested persons who desire to be heard in the matter shall notify the Hearing Clerk, United States Department of Agriculture, Washington 25, D. C., within 15 days after the date of publication of this notice.

Done at Washington, D. C., this 28th day of July 1955.

[SEAL] H. E. REED,
Director Livestock Division,
Agricultural Marketing Service.

[F. R. Doc. 55-6214; Filed, Aug. 1, 1955;
8:49 a. m.]

DEPARTMENT OF COMMERCE

Bureau of Foreign Commerce

ETABLISSEMENTS HENRI ELAERTS

ORDER TEMPORARILY DENYING EXPORT PRIVILEGES

The respondent, Etablissements Henri Elaerts, 38 rue du Beguinage, Brussels, Belgium, is the subject of an investigation concerning alleged transshipments to unauthorized destinations of commodities exported from the United States under validated licenses naming Belgium as the country of ultimate destination and consumption, and the Director, Investigation Staff, Bureau of Foreign Commerce, has applied for an order temporarily denying to the respondent all export privileges pending completion of the investigation and the determination of any charges which may be brought against it. The application was made pursuant to § 382.11 (b) of the Export Regulations (Title 15, Chapter III, Subchapter B, CFR), and, in accordance with the practice thereunder, was referred to a Compliance Commissioner of the Bureau of Foreign Commerce who, after considering evidence in support thereof, has recommended that it be granted.

Now, upon receipt of the Compliance Commissioner's recommendation, after reviewing and considering the evidence submitted in support of the application, being of the opinion that there is reasonable ground to believe that the respondent has transshipped to unauthorized destinations including Poland commodities exported from the United States under validated licenses permitting their shipment to Belgium only as the country of ultimate destination and consumption, that the firm to which such commodities were exported under the validated licenses had sold the same to it upon the condition that they would be consumed in Belgium, and that the respondent, unless prevented by action of this Department, may transship or attempt to transship to unauthorized destinations commodities exported from the United States under general license or under validated licenses, restricted to specified designations only, and, having concluded (a) that it is advisable that persons in the United States and in other parts of the world be informed by publication of this order of the provisions hereafter set forth so that the respondent may be prevented from receiving and so transshipping commodities exported from the United States, and (b) that this order is reasonable and necessary to protect the public interest and to achieve effective enforcement of the Export Control Act,

It is hereby ordered:

(1) All outstanding validated export licenses in which the respondent appears or participates as purchaser, intermediate or ultimate consignee, or otherwise, are hereby revoked and shall be returned forthwith to the Bureau of Foreign Commerce for cancellation;

(2) The respondent, its successors or assigns, directors, officers, partners, rep-

representatives, agents, and employees, are hereby denied all privileges of participating directly or indirectly in any manner, form, or capacity in an exportation of any commodity or technical data from the United States to any foreign destination, including Canada. Without limitation of the generality of the foregoing, participation in an exportation shall include and prohibit said respondent's and such other persons' and firms' participation (a) as a party or as a representative of a party to any validated export license application; (b) in the obtaining or using of any validated or general export license or other export control document; (c) in the receiving, ordering, buying, selling, using, or disposing in any foreign country of any commodities in whole or in part exported from the United States; and (d) in the financing, forwarding, transporting, or other servicing of exports from the United States;

(3) This denial of export privileges shall apply not only to the respondent, but also to any person, firm, corporation, or business organization with which it now or hereafter may be related by ownership, control, position of responsibility, or other connection in the conduct of trade involving exports from the United States or services connected therewith;

(4) This order shall be published in the FEDERAL REGISTER, shall be effective forthwith and shall remain in effect until the completion of the investigation of the conduct of the respondent and until the final determination of any compliance proceeding which may be brought against it, except insofar as this order may be amended or modified hereafter in accordance with the export control regulations;

(5) No person, firm, corporation, or other business organization, within the United States or elsewhere, and whether or not engaged in trade relating to exports from the United States, shall, without prior disclosure of the facts to, and specific authorization from, the Bureau of Foreign Commerce, directly or indirectly in any manner, form, or capacity (a) apply for, obtain, transfer, or use any license, shipper's export declaration, bill of lading, or other export control document relating to any exportation of commodities from the United States, or (b) order, receive, buy, use, dispose of, finance, transport, forward, or otherwise service or participate in an exportation from the United States, or in a reexportation of any commodity exported from the United States, with respect to which any of the persons or companies within the scope of paragraphs (2) and (3) hereof have any interest or participation of any kind or nature, direct or indirect.

(6) A certified copy of this order shall be served upon the respondent by registered mail.

(7) In accordance with the provisions of § 382.11 (c) of the export control regulations, the respondent may move at any time prior to the entry of a final order of suspension to vacate or modify this temporary suspension order by filing an appropriate application therefor, sup-

ported by evidence, with the Compliance Commissioner and it may request oral hearing thereon, which, if requested, shall be held before the Compliance Commissioner at Washington, D. C. at the earliest possible date.

Dated: July 28, 1955.

JOHN C. BORTON,
Director,
Office of Export Supply.

[F. R. Doc. 55-6205; Filed, Aug. 1, 1955;
8:48 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 10438, 10439; FCC 55-813]

WDOD BROADCASTING CORP. AND MOUNTAIN CITY TELEVISION, INC.

MEMORANDUM OPINION AND ORDER
REOPENING PROCEEDING

In re applications of WDOD Broadcasting Corporation, Chattanooga, Tennessee, Docket No. 10438, File No. BPCT-676; Mountain City Television, Inc., Chattanooga, Tennessee, Docket No. 10439, File No. BPCT-882; for construction permits for new television stations.

1. The Commission has before it for consideration a Petition to Reopen Record, for Further Hearing, and for Other Relief, filed June 10, 1955, by WDOD Broadcasting Corporation. An Opposition to the foregoing pleading was filed on June 15, 1955 by Mountain City Television, Inc.

2. On July 9, 1954, the Hearing Examiner in the above-entitled comparative proceeding released an Initial Decision (FCC 54D-52) looking toward a grant of the Mountain City application and a denial of that of petitioner. Exceptions to the Initial Decision were filed, and oral argument before the Commission en banc was held on December 14, 1954.

3. Petitioner grounds its request in the following allegations of fact: Mr. Ramon G. Patterson is President and Director of Mountain City and he owns a 50 percent stock interest therein. At the time of the hearing herein Mr. Patterson was President, General Manager and 100 percent stockholder of WAPO Broadcasting Service, Inc., licensee of broadcast stations WAPO and WAPO-FM in Chattanooga. On May 26, 1955 there was filed with the Commission an application (BTC-1999) requesting Commission consent to a transfer of 20 percent of WAPO's capital stock to each of four individual transferees, Mr. Patterson to retain a 20 percent stock interest. The transfer application was filed because of the exercise by the above four individuals of a conditional option agreement entered into with Mr. Patterson on April 5, 1955. The said option agreement contains, inter alia, the following provisions:

4. It is further agreed that, in addition, Optionees will employ the said Optioner as Manager of and/or Consultant for Stations WAPO and WAPO-FM for a period of two years from the settlement date. Optioner shall be paid at an annual salary of Seventy Five Hundred Dollars (\$7,500) for such services.

5. Optionees further agree that neither Ramon G. Patterson nor Mrs. Ramon G. Pat-

terson, without their written consent, will be dismissed from the positions they now hold with Stations WAPO and WAPO-FM prior to such time as the Federal Communications Commission takes final action on the application for a new television station heretofore filed with that body by Mountain City Television, Inc. This prohibition shall not extend beyond the two-year period contemplated by Paragraph 4, however.

The above transfer of control application, as amended June 14, 1955, was granted by the Commission on July 6, 1955.

4. It is petitioner's contention that by virtue of the above-quoted provisions of the option agreement and of Patterson's relinquishment of positive control of WAPO Broadcasting Service, Inc., certain representations made in this comparative proceeding with respect to the management and staffing of the television station proposed by Mountain City will be incapable of fulfillment. In this connection it is urged that Patterson's proposed interest and duties in the television station will conflict with his interest and duties with respect to broadcast stations WAPO and WAPO-FM. Petitioner prays for a reopening of the record in this proceeding to receive new evidence with respect to WAPO Broadcasting Service, Inc. and Mountain City Television, Inc., and for such other and further relief as the Commission should judge just and proper.

5. Mountain City resists the petition on the principal ground that it is based upon an incorrect interpretation of the option agreement of April 5, 1955. It is Mountain City's position that the transfer of control of the broadcast stations, and the facts relating thereto, do not affect the comparative television proceeding. Accordingly, it is contended that there has been no showing justifying further hearing.

6. We are of the view that the record herein must be reopened for the purpose of determining the effect of the transfer of control of WAPO Broadcasting Service, Inc., and the agreements in conjunction therewith upon the Mountain City Television, Inc. television proposal. Because of the important bearing this matter could have upon such factors as integration of ownership and management, etc., of Mountain City, we believe that the material facts must be adduced in this proceeding, thereby assuring all parties the right of examination and cross-examination.¹ In holding that the

¹ On June 14, 1955, there was filed with the Commission an amendment to the WAPO transfer application of May 26, 1955. This amendment was apparently filed in an attempt to meet the allegations of the petition to reopen. The Commission could, of course, take official notice of its records with respect to the transfer application and the amendment thereto. Any of the parties would then, however, be entitled to challenge the facts so noticed should the Commission's Decision rest, in whole or in part, upon the official notice taken. In view of the material nature of the allegations in the petition and the request in the said petition for a reopening of the record, it is believed that a reopening of the proceeding at this time will expedite the ultimate decision with respect to the competing television application.

record herein must be reopened, we do not say that all matters set forth in the petition should be made the subject of inquiry. The Examiner will recognize that many of petitioner's allegations—such as those relating to "the stability of WAPO" and the suit in chancery instituted by Mr. Patterson's sister—deal with matters which either have been thoroughly explored or were available for such exploration by the parties during the progress of the comparative hearing.

7. After the taking of testimony, the Examiner shall allow the parties an appropriate period for the filing of proposed findings and conclusions directed only to the matters heard. He shall then issue a new Initial Decision or a supplement to his original Initial Decision reflecting any new evidence properly adduced. The Examiner is directed to make every effort, consistent with due process, to expedite the proceeding. Following the issuance of the new Initial Decision (or supplement to the original Initial Decision) opportunity will be given the parties to except to those portions thereof which reflect or fail to reflect such new evidence as may be so adduced.

8. In view of the foregoing, *it is ordered*, This 20th day of July 1955, that the above-described petition of WDOZ Broadcasting Corporation, insofar as it requests a reopening of the record herein for the purpose of determining the effect of the recent transfer of control of WAPO Broadcasting Service, Inc. and the agreements in conjunction therewith upon the Mountain City Television, Inc. television proposal, is granted.²

Released: July 22, 1955.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 55-6185; Filed, Aug. 1, 1955;
8:45 a. m.]

[Docket Nos. 11119, etc., FCC 55M-678]

BORDER BROADCASTERS, INC. (KVOZ) ET AL.

ORDER SCHEDULING HEARING

In re applications of Border Broadcasters, Inc. (KVOZ) Laredo, Texas, Docket No. 11119, File No. BP-8947 for construction permit to change frequency. John F. Thorwald, Harlingen, Texas, Docket No. 11120, File No. BP-9042; Hale Schaleben & Van N. Culpepper, Raymondville, Texas, Docket No. 11121, File No. BP-9166; for construction permits for new broadcasting stations.

The hearing examiner having under consideration an informal agreement of participating parties regarding scheduling of further hearing;

It is ordered, This 26th day of July

1955, that further hearing herein is scheduled for July 28, 1955, at 8:30 a. m.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 55-6186; Filed, Aug. 1, 1955;
8:45 a. m.]

[Docket Nos. 11287, etc., FCC 55M-676]

EL MUNDO, INC., ET AL.

ORDER CONTINUING HEARING

In re applications of El Mundo, Inc., Mayaguez, Puerto Rico, Docket No. 11287, File No. BPCT-1892; Ponce de Leon Broadcasting Company, Inc. of P. R., Mayaguez, Puerto Rico, Docket No. 11288, File No. BPCT-1906; Supreme Broadcasting Company, Inc., Mayaguez, Puerto Rico, Docket No. 11289, File No. BPCT-1911, for construction permits for new television broadcast stations.

The hearing examiner having under consideration a motion filed on July 19, 1955, on behalf of Ponce de Leon Broadcasting Company, Inc., of P. R. requesting that the hearing now scheduled to be held in the above-entitled proceeding on July 29, 1955, be continued until September 16, 1955; and

It appearing that sufficient "good cause" has been set forth in the said motion to warrant the postponement requested therein and that all of the parties to the proceeding have consented to a grant thereof;

It is ordered, This 25th day of July 1955, that the above motion be, and it is hereby, granted; and that the hearing in the above-entitled proceeding is hereby continued until 10:00 a. m., on Friday, September 16, 1955, in the offices of this Commission, Washington, D. C.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 55-6187; Filed, Aug. 1, 1955;
8:45 a. m.]

[Docket No. 11431]

SOUTHWESTERN BELL TELEPHONE CO.

ORDER ASSIGNING MATTER FOR PUBLIC HEARING

In the matter of the application of Southwestern Bell Telephone Company, Docket No. 11431, File No. P-C-3600; for a certificate under section 221 (a) of the Communications Act of 1934, as amended, to acquire certain telephone plant and properties of Bloomsdale Local Telephone Company, Bloomsdale, Missouri.

The Commission having under consideration an application filed by Southwestern Bell Telephone Company for a certificate under section 221 (a) of the Communications Act of 1934, as amended, that the proposed acquisition by Southwestern Bell Telephone Company

of certain telephone plant and properties of Bloomsdale Local Telephone Company furnishing telephone service in and around Bloomsdale, Missouri, will be of advantage to the persons to whom service is to be rendered and in the public interest;

It is ordered, This 25th day of July 1955, that pursuant to the provisions of section 221 (a) of the Communications Act of 1934, as amended, the above application is assigned for public hearing for the purpose of determining whether the proposed acquisition will be of advantage to the persons to whom service is to be rendered and in the public interest;

It is further ordered, That the hearing upon said application be held at the offices of the Commission in Washington, D. C., beginning at 10:00 a. m. on the 23d day of September 1955; and that a copy of this order shall be served upon Southwestern Bell Telephone Company, Bloomsdale Local Telephone Company, Public Service Commission of Missouri, The Governor of the State of Missouri, and the Postmaster of Bloomsdale, Missouri.

It is further ordered, That within 15 days after the receipt from the Commission of a copy of this order, the applicant herein shall cause a copy hereof to be published in a newspaper or newspapers having general circulation in and around Bloomsdale, Missouri, and shall furnish proof of such publication at the hearing herein.

Released: July 27, 1955.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 55-6188; Filed, Aug. 1, 1955;
8:45 a. m.]

[Docket Nos. 11439, 11440]

UNION TELEPHONE CO.

ORDER ASSIGNING MATTERS FOR PUBLIC HEARING IN A CONSOLIDATED PROCEEDING

In the matter of the application of Union Telephone Company, Docket No. 11439, File No. P-C-3613; for a certificate under section 221 (a) of the Communications Act of 1934, as amended, to acquire certain telephone plant and properties of Aroma Farmers Telephone Company, Aroma, Indiana. In the matter of the application of Union Telephone Company, Docket No. 11440, File No. P-C-3614, for a certificate under section 221 (a) of the Communications Act of 1934, as amended, to acquire certain telephone plant and properties of New Palestine Telephone Company, Inc., New Palestine, Indiana.

The Commission having under consideration applications filed by Union Telephone Company for certificates under section 221 (a) of the Communications Act of 1934, as amended, that the proposed acquisition by Union Telephone Company of certain telephone plant and properties of Aroma Farmers Telephone

² Commissioners Bartley and Doerfer dissenting.

Company, and New Palestine Telephone Company, Inc., furnishing telephone service in and around Aroma and New Palestine, Indiana, respectively will be of advantage to the persons to whom service is to be rendered and in the public interest;

It is ordered, This 25th day of July 1955, that pursuant to the provisions of section 221 (a) of the Communications Act of 1934, as amended, the above applications are assigned for public hearing in a consolidated proceeding for the purpose of determining whether the proposed acquisition will be of advantage to the persons to whom service is to be rendered and in the public interest;

It is further ordered, That the hearing upon said application be held at the offices of the Commission in Washington, D. C., beginning at 10:00 a. m., on the 6th day of September 1955, and that a copy of this order shall be served upon the Governor of Indiana, Public Service Commission of Indiana, each of the above-named telephone companies and the Postmasters of Aroma and New Palestine, Indiana;

It is further ordered, That within ten days after the receipt from the Commission of a copy of this order, the applicant herein shall cause a copy hereof to be published in a newspaper or newspapers having general circulation in the above-mentioned communities and the counties in which the properties are located and shall furnish proof of such publication at the hearing herein.

Released: July 27, 1955.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 55-6189; Filed, Aug. 1, 1955;
8:46 a. m.]

[Docket No. 11450]

SOUTHWESTERN BELL TELEPHONE CO.
ORDER ASSIGNING MATTER FOR PUBLIC
HEARING

In the matter of the application of Southwestern Bell Telephone Company, Docket No. 11450, File No. P-C-3615; for a certificate under section 221 (a) of the Communications Act of 1934, as amended, to acquire certain telephone plant and properties of G. W. Fortner, d/b as the Westminster Telephone Company, Westminster, Texas.

The Commission having under consideration an application filed by Southwestern Bell Telephone Company for a certificate under section 221 (a) of the Communications Act of 1934, as amended, that the proposed acquisition by Southwestern Bell Telephone Company of certain telephone plant and properties of G. W. Fortner, d/b as the Westminster Telephone Company furnishing telephone service in and around Westminster, Texas will be of advantage to the persons to whom service is to be rendered and in the public interest;

It is ordered, This 25th day of July 1955, that pursuant to the provisions of section 221 (a) of the Communications

Act of 1934, as amended, the above application is assigned for public hearing for the purpose of determining whether the proposed acquisition will be of advantage to the persons to whom service is to be rendered and in the public interest;

It is further ordered, That the hearing upon said application be held at the offices of the Commission in Washington, D. C., beginning at 10:00 a. m. on the 30th day of September 1955, and that a copy of this order shall be served upon the Governor of the State of Texas, Southwestern Bell Telephone Company, G. W. Fortner, d/b as the Westminster Telephone Company, and the Postmaster of Westminster, Texas;

It is further ordered, That within 15 days after the receipt from the Commission of a copy of this order, the applicant herein shall cause a copy hereof to be published in a newspaper or newspapers having general circulation in and around Westminster, Texas and shall furnish proof of such publication at the hearing herein.

Released: July 27, 1955.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 55-6190; Filed, Aug. 1, 1955;
8:46 a. m.]

[Docket No. 11463]

PACIFIC TELEPHONE AND TELEGRAPH CO.
ORDER ASSIGNING MATTER FOR PUBLIC
HEARING

In the matter of the application of the Pacific Telephone and Telegraph Company, Docket No. 11463, File No. P-C-3617 for a certificate under section 221 (a) of the Communications Act of 1934, as amended, to acquire certain telephone plant and properties of Joseph B. Hobbs and Mearlia M. Hobbs, d/b as Curtis Telephone Company, Curtis, Washington.

The Commission having under consideration an application filed by The Pacific Telephone and Telegraph Company for a certificate under section 221 (a) of the Communications Act of 1934, as amended, that the proposed acquisition by The Pacific Telephone and Telegraph Company of certain telephone plant and properties of Joseph B. Hobbs and Mearlia M. Hobbs, d/b as Curtis Telephone Company furnishing telephone service in and around Curtis, Washington will be of advantage to the persons to whom service is to be rendered and in the public interest;

It is ordered, This 25th day of July 1955, that pursuant to the provisions of section 221 (a) of the Communications Act of 1934, as amended, the above application is assigned for public hearing for the purpose of determining whether the proposed acquisition will be of advantage to the persons to whom service is to be rendered and in the public interest;

It is further ordered, That the hearing upon said application be held at the

offices of the Commission in Washington, D. C., beginning at 2:00 p. m. on the 23d day of September 1955, and that a copy of this order shall be served upon The Pacific Telephone and Telegraph Company, Curtis Telephone Company, the Governor of the State of Washington, Washington Public Service Commission, and the Postmaster of Curtis, Washington;

It is further ordered, That within ten days after the receipt from the Commission of a copy of this order, the applicant herein shall cause a copy hereof to be published in a newspaper or newspapers having general circulation in Curtis, Washington, and shall furnish proof of such publication at the hearing herein.

Released: July 27, 1955.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 55-6191; Filed, Aug. 1, 1955;
8:46 a. m.]

[Delegation Order No. 10; FCC 55-810]

ORDER DESIGNATING COMMITTEE FOR
STUDY OF RADIO AND TELEVISION NET-
WORK BROADCASTING

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 20th day of July 1955,

It appearing that it is necessary to the proper functioning of the Commission and the prompt and orderly conduct of its business to refer to a committee of Commissioners the work, business and functions of the Commission in connection with the study of radio and television network broadcasting provided for by Public Law 112, 84th Congress, First Session;

It is ordered, Pursuant to the provisions of section 5 (d) of the Communications Act of 1934, as amended, and section 0.201 of the Commission's Rules and Regulations that there be designated a committee of four Commissioners, composed of Chairman George C. McConaughy and Commissioners Rosel H. Hyde, Robert T. Bartley, and John C. Doerfer; that there be referred to this Committee the conduct of the study of radio and television network broadcasting provided for as aforesaid; and

It is further ordered, That the committee so designated shall be and hereby is instructed to institute and carry on a study of radio and television broadcasting, with the same powers and jurisdiction conferred by law upon the Commission, all as provided for in the Communications Act of 1934, as amended.

Released: July 22, 1955.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 55-6192; Filed, Aug. 1, 1955;
8:46 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-3390]

NEW ENGLAND ELECTRIC SYSTEM ET AL.

ORDER AUTHORIZING ISSUE AND SALE BY
SUBSIDIARIES OF PROMISSORY NOTES TO
BANKS AND TO PARENT COMPANY

JULY 26, 1955.

In the matter of New England Electric System, New England Power Company, Weymouth Light and Power Company, File No. 70-3390.

New England Electric System ("NEES") a registered holding company, and its public-utility subsidiaries, New England Power Company ("NEPCO") and Weymouth Light and Power Company ("Weymouth") have filed with this Commission a joint application-declaration pursuant to sections 7, 10 and 12 of the Public Utility Holding Company Act of 1935 ("Act") and Rules U-42 (b) (2) U-43 and U-45 (b) (1) promulgated thereunder with respect to the following proposed transactions:

NEPCO proposes to issue, from time to time but not later than December 31, 1955, short-term unsecured promissory notes to The First National Bank of Boston in an aggregate principal amount not in excess of \$13,500,000, the proceeds of which will be used, in part, to pay NEPCO's outstanding bank indebtedness with the balance to be used to pay for construction or to reimburse NEPCO's treasury therefor. NEPCO contemplates the issuance and sale of \$10,000,000 of common stock prior to December 31, 1955, the proceeds of which will be applied to the payment of its then outstanding notes. This transaction will be the subject of a further filing.

Weymouth proposes to issue, from time to time but not later than December 31, 1955, short-term unsecured promissory notes to NEES in an aggregate principal amount not in excess of \$4,830,000 and to The First National Bank of Boston in an aggregate principal amount not in excess of \$1,730,000. It is stated that at no time during the period will Weymouth's note indebtedness exceed \$3,100,000. The proceeds to be derived from the notes proposed to be issued by Weymouth will be used, in part, to pay its outstanding note indebtedness with the balance used to pay for construction or to reimburse its treasury therefor. Weymouth expects to issue and sell approximately \$1,370,000 of capital stock prior to December 31, 1955 and to apply the proceeds therefrom to payment of its then outstanding notes. This transaction will also be the subject of a further filing.

The notes proposed to be issued by NEPCO and Weymouth will mature on March 31, 1956, and may be prepaid, in whole or in part, without premium and will bear an annual interest rate not in excess of the prime rate of interest, presently 3 percent, charged by banks for similar notes at the time of issuance thereof. With respect to any notes proposed to be issued by Weymouth to banks to prepay then outstanding notes payable to NEES, if the interest rate on the

notes proposed to be issued exceeds the interest rate on the notes proposed to be paid, Weymouth will file an amendment to the application-declaration setting forth therein the proposed amount of the new note or notes and the proposed interest rate thereon which amendment will become effective five days after the filing thereof unless the Commission notifies Weymouth to the contrary within said five-day period.

Applicants-declarants request that the Commission's order herein become effective forthwith upon issuance.

Due notice having been given of the filing of said joint application-declaration, and a hearing not having been requested or ordered by the Commission; and the Commission finding that the applicable provisions of the Act and the Rules promulgated thereunder are satisfied and that no adverse findings are necessary, and deeming it appropriate in the public interest and in the interest of investors and consumers that the joint application-declaration be granted and permitted to become effective, forthwith:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the Act, that said joint application-declaration be, and hereby is, granted and permitted to become effective forthwith, subject to the conditions prescribed in Rule U-24.

By the Commission.

[SEAL]

ORVAL L. DuBois,
Secretary.

[F. R. Doc. 55-6209; Filed, Aug. 1, 1955;
8:48 a. m.]

[File No. 811-218]

CONNECTICUT INVESTMENT MANAGEMENT
CORP.

NOTICE OF APPLICATION FOR ORDER DECLARING
THAT COMPANY HAS CEASED TO BE AN
INVESTMENT COMPANY

JULY 26, 1955.

Notice is hereby given that The Connecticut Investment Management Corporation ("Connecticut") has filed an application under section 8 (f) of the Investment Company Act of 1940 for an order declaring that Connecticut, registered under the Act as an open-end, management investment company, has ceased to be an investment company.

The following representations are made:

Connecticut is a corporation organized under the statute laws of the State of Connecticut with its office and place of business in the Town and County of Hartford and State of Connecticut.

On November 23, 1954, at a special meeting of the stockholders of Connecticut, it was voted to authorize the sale of substantially all of the assets of Connecticut to Broad Street Investing Corporation ("Broad Street") in exchange for shares of stock of Broad Street and to distribute such shares of stock among the stockholders of Connecticut, and on December 8, 1954, substantially all of the assets of Connecticut were transferred to Broad Street in exchange for shares of stock of Broad Street.

All of the liabilities of The Connecticut Investment Management Corpora-

tion, other than as set forth below, have been paid. At the time of liquidation Connecticut had 135,398 shares of its stock outstanding held by 1,918 stockholders. Said shares were exchanged for 28,751 shares of stock of Broad Street.

As of June 29, 1955, 675 shares of stock of Broad Street remained unclaimed and undistributed to stockholders of Connecticut. There also remained unclaimed and unpaid dividends and uncashed checks of Connecticut in the amount of \$1,218.58 as of June 29, 1955.

The unclaimed and undistributed shares of Broad Street, the unclaimed and unpaid dividends and an amount of cash equal to the uncashed corporate checks will, within a reasonable time, be paid over to the Treasurer of the State of Connecticut under the provisions of section 5236 of the General Statutes of the State of Connecticut, to be held in trust by him for the owners, as is provided for by section 5237 of said statutes.

Notice is further given that any interested person may, not later than August 15, 1955, at 5:30 p. m., submit to the Commission in writing any facts bearing upon the desirability of a hearing on the matter and may request that a hearing be held, such request stating the nature of his interest, the reasons for such request, and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication or request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after said date, the application may be granted as provided in Rule N-5 of the Rules and Regulations promulgated under the act.

By the Commission.

[SEAL]

ORVAL L. DuBois,
Secretary.

[F. R. Doc. 55-6210; Filed, Aug. 1, 1955;
8:49 a. m.]

[File No. 812-949]

WELLINGTON FUND, INC.

NOTICE OF FILING FOR ORDER PERMITTING
REDUCED PUBLIC OFFERING PRICES ON PURCHASES OF COMPANY SHARES BY TAX-EXEMPT ORGANIZATIONS

JULY 26, 1955.

Notice is hereby given that Wellington Fund, Inc. ("Wellington") a registered open-end investment company, has filed an application pursuant to section 6 (c) of the Investment Company Act of 1940 ("Act") for an order of the Commission exempting from the provisions of section 22 (d) of the Act the offering of shares of Wellington at reduced offering prices, based on quantity purchases on a thirteen-month cumulative basis, to certain tax-exempt organizations.

The current offering price of Wellington's shares is equal to net asset value per share and estimated brokerage costs per share applicable to its portfolio securities, plus a sales commission as follows:

Amount:	Sales com- mission (percent)
Up to \$25,000.....	8
\$25,000, but under \$50,000.....	6
\$50,000, but under \$100,000.....	4
\$100,000, and over.....	2¾

Wellington desires to permit the cumulation into a single transaction of purchases within a thirteen-month period by charitable, religious, educational, and similar corporations, associations or foundations exempt from taxation under section 501 of the Internal Revenue Code, and by pension, profit-sharing, and other employees' trusts exempt from taxation under section 401 of the Internal Revenue Code, pursuant to a written statement of intention and price agreement.

Among other things section 22 (d) of the Act, with certain exceptions not applicable here, prohibits a principal underwriter of a registered investment company from selling redeemable securi-

ties of such investment company to any person except at a current public offering price described in the prospectus. Since the proposal set forth above may involve the offering of Wellington's shares below the normal public offering price thereof described in its prospectus in contravention of the provisions of section 22 (d) of the Act, Wellington seeks an order pursuant to section 6 (c) of the Act exempting such transactions from the provisions of section 22 (d).

Section 6 (c) of the Act authorizes the Commission by order upon application to exempt, conditionally or unconditionally, any transaction from any provision of the Act or of any rule or regulation thereunder, if and to the extent that the Commission finds that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Notice is further given that any interested person may, not later than August 15, 1955, at 5:30 p. m., submit to the Commission in writing any facts bearing upon the desirability of a hearing on the matter and may request that a hearing be held, such request stating the nature of his interest, the reasons for such request and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication or request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after said date, the application may be granted as provided in Rule N-5 of the Rules and Regulations promulgated under the Act.

By the Commission.

[SEAL]

ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 55-6211; Filed, Aug. 1, 1955;
8:49 a. m.]

